

The following-named doctors to be assistant surgeons in the United States Public Health Service, to take effect from date of oath:

Francis J. Weber	Glenn S. Usher
Thomas R. Dawber	Charles C. Smith
Thomas H. Diseker	William N. Donovan
Theodore F. Hilbish	Wendell A. Preston
Robert D. Duncan	Murdo E. Street, Jr.
Michael L. Furcolow	Edgar B. Johnwick
James Watt	James V. Lowry
George R. Tooley, Jr.	Louis F. Cleary
Robert L. Zobel	James E. Hemphill
Thomas F. Crahan	Joseph S. Cope
Raymond F. Kaiser	

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate, June 1 (legislative day of April 20), 1938*

##### DEPARTMENT OF THE INTERIOR

Harry Slattery to be Under Secretary of the Interior.

##### UNITED STATES MARSHAL

John M. Guay to be United States marshal for the district of New Hampshire.

##### DISTRICT OF COLUMBIA

Richmond B. Keech to be a member of the Public Utilities Commission of the District of Columbia.

##### REGISTER OF LAND OFFICE

Fred S. Minier to be register of the land office at Pierre, S. Dak.

##### DEPARTMENT OF THE NAVY

Rear Admiral James O. Richardson to be Chief of the Bureau of Navigation with the rank of rear admiral.

Capt. Walter B. Woodson to be Judge Advocate General with the rank of rear admiral.

##### POSTMASTERS

##### NEW YORK

Loretta Patton, Harrison.

##### NORTH CAROLINA

William R. Young, Badin.  
Zula S. Glover, Catawba.  
Paul R. Younts, Charlotte.  
Shepperd Strudwick, Hillsboro.  
Jennings M. Koontz, Kannapolis.  
Carl H. Hand, Lowell.  
Robert T. Teague, Newland.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 1, 1938

The House met at 12 o'clock noon.

Rev. W. Clark Main, Arlington Methodist Episcopal Church, Arlington, Va., offered the following prayer:

Almighty and Eternal God, Thou art the Father of all men. As we stand in this presence today most of us are in high position of great responsibility. Others of us walk in more humble ways. But Thou art the Father of us all. As we are called upon to seek a solution for the problems that so greatly perplex the minds of men, may we remember always that there is in the world and in human life such a person as Thyself. May we see in Thy fatherhood of us all the common brotherhood of our humanity. May we be able to divest ourselves of an impersonal attitude and replace it with an eager effort to lift the level of the life of all men and unite with them in a cooperative endeavor to make this world a better place in which to live. May the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 23, 1938:

H. R. 8837. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1939, and for other purposes.

On May 24, 1938:

H. R. 5030. An act granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes;

H. R. 6410. An act granting a pension to Mary Lord Harrison; and

H. R. 10704. An act to amend section 4132 of the Revised Statutes, as amended.

On May 25, 1938:

H. R. 5633. An act to provide additional funds for buildings for the use of the diplomatic and consular establishments of the United States;

H. R. 7187. An act to amend section 12B of the Federal Reserve Act, as amended;

H. R. 10193. An act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American republics and the Philippines, and for other purposes; and

H. J. Res. 678. Joint resolution making an additional appropriation for grants to States for unemployment compensation administration, Social Security Board, for the fiscal year ending June 30, 1938.

On May 26, 1938:

H. R. 7104. An act for the relief of the estate of F. Gray Griswold;

H. R. 8148. An act to amend Public Law No. 692, Seventy-fourth Congress, second session;

H. R. 8203. An act for the inclusion of certain lands in the Kaniksu National Forest in the State of Washington, and for other purposes;

H. R. 9688. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 10117. An act granting the consent of Congress to construct, maintain, and operate a toll bridge, known as the Smith Point Bridge, across navigable waters at or near Mastic, southerly to Fire Island, Suffolk County, N. Y.;

H. R. 10118. An act granting the consent of Congress to construct, maintain, and operate toll bridges, known as the Long Island Loop Bridges, across navigable waters at or near East Marion to Shelter Island, and Shelter Island to North Haven, Suffolk County, N. Y.;

H. R. 10190. An act to equalize certain allowances for quarters and subsistence of enlisted men of the Coast Guard with those of the Army, Navy, and Marine Corps;

H. R. 10351. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; and

H. R. 10535. An act to amend the Second Liberty Bond Act, as amended.

On May 31, 1938:

H. R. 4222. An act for the relief of Mary Kane, Ella Benz, Muriel Benz, John Benz, and Frank Restis;

H. R. 4650. An act to amend section 40 of the United States Employees' Compensation Act, as amended;

H. R. 7534. An act to protect the telescope and scientific observations to be carried on at the observatory site on Palomar Mountain, by withdrawal of certain public land included within the Cleveland National Forest, Calif., from location and entry under the mining laws;

H. R. 7553. An act to amend the laws of Alaska imposing taxes for carrying on business and trade;

H. R. 7711. An act to amend the act approved June 19, 1934, entitled the "Communications Act of 1934";

H. R. 7778. An act to amend section 26, title I, chapter 1, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900;

H. R. 7827. An act to authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H. R. 8177. An act to create a commission to be known as the Alaskan International Highway Commission;

H. R. 8404. An act to authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial & Sugar Co., Ltd., in part payment for 300.71 acres of land at Pulehunu, island of Maui, Territory of Hawaii, to be used as a site for a new airport;

H. R. 8700. An act relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii and judges of the United States District Court for the Territory of Hawaii;

H. R. 8715. An act to authorize the Secretary of Commerce of the United States to grant and convey to the State of Delaware fee title to certain lands of the United States in Kent County, Del., for highway purposes;

H. R. 9123. An act to authorize the Secretary of War to lease to the village of Youngstown, N. Y., a portion of the Fort Niagara Military Reservation, N. Y.;

H. R. 9358. An act to authorize the withdrawal and reservation of small tracts of the public domain in Alaska for schools, hospitals, and other purposes;

H. J. Res. 447. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Pacific Mercade International Exposition, to be held at Los Angeles, Calif., in 1940; and

H. J. Res. 647. Joint resolution to increase by \$15,000 the amount authorized to be appropriated for the observance of the anniversary of the adoption of the Ordinance of 1787 and the settlement of the Northwest Territory.

#### TAXES IN GREAT BRITAIN AND UNITED STATES

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I shall today insert in the Appendix of the Record a comparison of the taxes in Great Britain and in the United States, which should be of interest to those who wish to make a further study of our tax structure.

#### EXTENSION OF REMARKS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting my statement on the proposed salary cut on the W. P. A. workers.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein a letter written by me to the Secretary of State.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein an address delivered on Decoration Day at St. Louis, Mo., by Bernard F. Dickman at the formal opening of the Soldiers' Memorial Building.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I have three unanimous-consent requests which I desire to submit. First, to extend my remarks by inserting a radio address that I delivered over WMCA on May 28.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a radio address delivered by me on May 31 over the Columbia network.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to insert in the Record a short editorial from the East Side News, a paper printed in my district on the East Side, on the salute to our soldiers and heroes during the Decoration holidays.

The SPEAKER. Is there objection?

There was no objection.

#### THE DEPRESSION—THE CAUSE AND THE REMEDY

##### FIRST: SPEAKING ON THE DEPRESSION UNDER FIVE ADMINISTRATIONS

Mr. GRAY of Indiana. Mr. Speaker, following in the wake of the great World War a withering blight fell upon the Nation, a world economic or industrial paralysis, and spreading not only to every nation involved but to other nations and countries as well, and following close on the armistice and peace to add still further to the sufferings of the war-stricken world.

This world industrial or economic crisis did not come upon all the nations all at one and the same time, but came upon the different nations stricken in the order and time of certain fiscal adjustments as they were entered upon by the nations after the war and involved certain monetary and fiscal changes and coming to our own Nation among the first in 1920.

This world industrial panic or depression coming upon this Nation first in 1920 has continued with only interruptions of relief from its beginning down to the present time, with a second panic coming in 1929 as a relapse of the 1920 depression, and this 1937 depression as a relapse of both.

First, as each nation came under the blight of the world industrial depression, to relieve their people from the failure of employment, the nations first resorted to public works and operations and entered upon a national policy of reducing farm crops and limiting production to restore prices and commodity values.

A part of the nations after struggling long in vain and suffering great privation from unemployment, and despairing of regaining normal economic conditions, have surrendered their institutions of liberty and free self-government and welcomed the arbitrary rule of dictators for relief and the pendulum of human progress and civilization was swung back 1,000 years to war, conquest, and subjugation.

Other nations continued on or persevered in the relief program of public works and the policy of restricting production, going to the limit of sheer exhaustion, only to find themselves at the end of the trail suffering a relapse of the depression and left to start their expenditures all over again.

And still another group of nations after following public works and expenditures and the limitation of production for the time abandoned their first and original plans of relief and entered upon a program of recovery providing for the public control of the currency and now claim far greater progress than other nations.

And here is where the nations of the world stand today on the road to relief and recovery after their struggle for almost 18 years to recovery from the world economic depression, and after trial of different forms of relief measures and expenditures of vast sums of money to restore private industry and employment.

But we are all more interested and concerned with our own, the progress of this Nation, in recovery from the great post-war depression, how far we have advanced since 1920, how far private industry and employment has been restored, and the basis of recovery, hope for recovery or what we can look for by tomorrow.

The political party in control of Congress, at the time and after the world depression came in 1920, suffered the relapse of the 1929 panic to come, and, after creating certain governmental agencies for control of prices by orderly crop marketing, and for Government financing of private industry, failed to restore employment to the people and was voted out of power in 1932.

By the same voice of the people discharging the Republican Party the Democratic Party and a new Congress were commissioned to remedy the 1929 depression and restore private



industry and employment. But after trial of many and different measures, and the expenditure of vast public funds, the 1937 relapse of depression was suffered to come and the country remains still suffering from unemployment, with three depressions now merged into one.

The Republican minority Members in Congress are posing only in the role of objectors, and claiming this as their only purpose to be served by a minority party in considering legislation and are not advancing a single proposal or suggestion for a present remedy to be followed in the future, other than the generality or platitude of "confidence," nor more than recommending a shower bath as a remedy for smallpox, a broken limb, or typhoid fever.

And now with the Democratic majority directing the recovery program in Congress, it is proposing only a continuation of the same public works which have failed as a remedy and under which the 1937 industrial relapse has come. And without a new or further remedy to be tried, Congress is left drifting without a recovery program.

Both political parties in Congress having failed to provide for more than a temporary remedy from the depression still paralyzing industry, it becomes the duty of individual Members or groups in Congress making the problem a study to present to Congress and the country their measure or program for permanent relief.

As a Member of Congress who has voted to try out and test many relief measures with more hope than faith in their efficiency, I consider it my duty, on the failure of both party organizations in Congress, to present a measure to provide relief and to submit and make further explanation to Members the measure I have long urged while consenting to try others.

I am undertaking this presentation and explanation at great cost, time, and painstaking labor, because from my studies, inquiries, and investigations I am more and more convinced that such a remedy can be made available to Congress promptly, without hesitation or delay, and the remedy will revive private industry and employment like the raindrops bring back life in green to the dead, dry, brown ground, parched sod.

These first relapses of the depression have been holding the people in the strain and agony of unemployment and enforced idleness, with only temporary interruptions of relief, of fair and tolerable prosperous times since 1920, or for almost 18 years. And if further prolonged the great common laboring masses will be drifting into a temper and state of mind of growing indifference toward our public institutions.

If this great industrial panic or depression be allowed, prolonged, or further continued without explanation, remedy, or relief, many loyal and patriotic men, long suffering in patient silence, will be led to question, doubt, and conclude that the evil is in our industrial system or is in our free representative governmental system, or if not all in one, then in both.

And our free competitive system of industry with all its pleasures, benefits, and blessings, with all its incentive for effort and enterprise and stimulus to energy and action by men, as well as our system of free institutions, will be menaced, jeopardized, and endangered, and in an unguarded moment may be lost or greatly impaired and the continuance of pacifism will be in vain.

It must be promptly shown and made plain that the economic failures and disorders from which the country is suffering are not because of any inherent evil, either in our industrial or governmental system, but that all result from the violation and abuse of our systems of industry and government and the perversion of their normal uses and functions.

And to justify our system of industry and our forms of free self-government and our institutions of peace and civil life, we must now restore to the people promptly, without further hesitation or delay, full-time employment at fair wages, with tolerable working and laboring conditions.

The toiling, laboring masses of the country will not long accept the threadbare subterfuge from those who are reveling in luxury and wealth, while they and those by nature

dependent upon them are left suffering in want and destitution, half fed, half clothed, half housed and sheltered, with only the explanation that "panics are a mystery" and defy the powers and comprehensions of men.

To justify our system of industry and government before the suffering unemployed, there must be an explanation, there must be a remedy for relief, there must be restoration of employment, an opportunity for men to labor to live with assurance of the right to take and enjoy the fruits of their toil and their labor.

For this Congress to adjourn or recess in the midst of this, another relapse of the depression, with providing and leaving in administration only the means and remedies already tried out, and which have failed of relief required, and under which this relapse of recovery has come, will be leaving a hazard and menacing condition to jeopardize the very existence of our institutions.

Such adjournment or recess for Congress without providing a further or more certain remedy will be temporizing with our forms of democracy, will be parleying with our free institutions, will be toying with chaos, disorder, and revolution, will be preparing the way for designing men to prey upon the suffering, laboring masses and mislead them to change their form of government.

We are too far advanced from superstition to accept the belief and theory that panics are brought on by the Almighty. Panics are evils and disorders caused by men, are within the comprehension of men, can be solved and explained by men, can be remedied and relieved by men.

For men to make the explanation today that these man-made panics or depressions are an insolvable, unexplainable problem, are incomprehensible industrial mysteries, will be justly censured and condemned as a maneuver to evade responsibility or a cowardly mental retreat.

I believe there is a reason, a cause, a relief, a restoration of employment, a remedy in rational means and methods, and it is my purpose in this series of addresses to show the cause, when and where, how, by whom, and by what purposes, and the remedy as plain as the cause.

With unemployment still increasing, with no further assurance of recovery more than temporary or uncertain relief, with foreign societies everywhere organizing to present and urge their alluring claims under dictators and arbitrary rule, no time calls for the exercise of greater precaution than now.

I am making this appeal to Members of Congress and indirectly to the people of the country who believe in, take pride in, and wish to safeguard our free, competitive system of industry, our forms of democracy and free self-government, and our institutions of peace and civil life, and their blessings for posterity.

No serious-minded Member of Congress, aware of the uncertain drift of the times, without a remedy provided or found, more than the measures already tried out and failed, and under which this 1937 depression has come, will wish to desert his post of duty here until some relief is found more certain and assured, and recovery is on the way before adjournment.

#### EXTENSION OF REMARKS

Mr. STACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record regarding a story from the White House yesterday about an attempt to pass the reorganization bill.

The SPEAKER. Is there objection?

There was no objection.

#### THE BUDGET

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, for several years the President of the United States has promised a balanced Budget this year. On May 27, 1938, we were \$1,452,983,071.98 in the red, with a total national debt of \$37,419,821,347.17, the largest in our

history; and this administration in 5 years is mostly responsible. All contrary to their promises.

The other day Senator CARTER GLASS remarked that the country was in a state of "irretrievable bankruptcy," while Senator H. STYLES BRIDGES declared that New Deal spending was "a vote-buying scheme" and "a national swindle."

During these troubled times it is interesting and enlightening to read a portion of a letter written by the founder of democracy in 1799. Thomas Jefferson said:

I am for a government rigorously frugal and simple, applying all the possible savings of the public revenue to the discharge of the national debt, and not for a multiplication of officers and salaries merely to make partisan.

The remarks of Jefferson were wise; they were the words of a statesman.

Oh, were it possible that we had a Jefferson in the White House today.

Oh, it is too bad that the present occupant of the White House has not carried out his promises made previous to his election. Why has not he done so?

July 2, 1932, in his acceptance speech, Mr. Roosevelt said—and I quote:

I propose to you, my friends, . . . that government . . . be made solvent, and that the example be set by the President of the United States and his Cabinet.

Has he done so? Why did he not do it? Oh, Mr. President, speak; tell us why you have changed so much from economy to extravagance.

#### UNITED STATES HOUSING ACT OF 1937

Mr. O'CONNOR of New York, from the Committee on Rules, submitted the following resolution, which was referred to the House Calendar and ordered printed:

##### House Resolution 514

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 10663, a bill to amend the United States Housing Act of 1937. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

#### CAMPAIGN EXPENDITURES—CANDIDATES FOR HOUSE OF REPRESENTATIVES

Mr. O'CONNOR of New York, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered printed:

##### House Resolution 291

*Resolved*, That a special committee of seven be appointed by the Speaker of the House of Representatives to investigate and report to the House not later than January 3, 1939, the campaign expenditures of the various candidates for the House of Representatives in both parties, or candidates of parties other than or independent of the Democratic or Republican Parties, the names of persons, firms, associations, or corporations subscribing, the amount contributed, the methods of collection and expenditures of such sums, and all facts in relation thereto, not only as to subscriptions of money and expenditures thereof but as to the use of any other means or influences, including the promise or use of patronage, and all other facts in relation thereto that would not only be of public interest but would aid the Congress in necessary legislation or in deciding any contests which might be instituted involving the right to a seat in the House of Representatives.

The investigation hereby provided for in all the respects above enumerated shall apply to candidates and contests before primaries, conventions, and the contests and campaigns of the general election in 1938, or any special election held prior to January 3, 1939. Said committee is hereby authorized to act upon its own initiative and upon such information which in its judgment may be reasonable and reliable. Upon complaint being made before such committee, under oath, by any person, persons, candidates, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, said committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after hearings on such complaints, the committee shall find that such allegations in said complaints are immaterial or untrue.

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That said special committee or any subcommittee thereof is authorized to sit and act during the adjournment of the Congress, and that said committee or any subcommittee thereof is hereby empowered to sit and act at such time and place as it may deem necessary; to require by subpoena or otherwise the attendance of witnesses, the production of books, papers, and documents; to employ stenographers at a cost of not exceeding 25 cents per hundred words. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpoenas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties as prescribed by law.

#### THE MOTOR INDUSTRY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

#### ARE YOU OUT OF A JOB? WHY?

Mr. HOFFMAN. Mr. Speaker, I call the attention of the House to the fact that the administration, having so far been unable to put out of business the motor industry in Michigan, which led the way back to recovery during the dark days of the depression following 1929, by using John L. Lewis and the activities of the C. I. O., which invaded Michigan, called strikes, closed factories, destroyed machinery, drove men from their jobs and strangled industry, and the persecutions instituted by the National Labor Relations Board, it has now turned loose on General Motors, Chrysler, and Ford the Department of Justice, persecuting them because they made an attempt to relieve those who were forced to ask for credit when purchasing automobiles from the Shylock-like activities of gouging finance companies.

**JOBS WERE PLENTIFUL, WAGES HIGH, IN MICHIGAN UNTIL THE NEW DEAL CAME**

It is a fact—one of the few stated by Governor Murphy—that, early in 1937, there was in Michigan—

A general picture of high wages, good condition, security, and recognition (of labor), which is one of the best in the country.

He further said, and that statement was true, even though he made it, that—

Wages here are the highest of any place in the country or in the world.

**MOTOR INDUSTRY LED THE WAY TO RECOVERY—UNTIL JOHN L. LEWIS CAME**

Notwithstanding this picture of conditions that were ideal for the man who worked; notwithstanding the fact—and it is undisputed—that the motor industry was lifting not only Detroit and Michigan but the whole Nation out of the depths of the depression, John L. Lewis turned loose his communistic-controlled C. I. O., with its flying squadrons of wrecking gangsters armed with deadly weapons on Flint, Detroit, and other Michigan cities and, by force of arms, throttled the motor industry.

That industry, notwithstanding this vicious assault, the loss of millions of dollars, while crippled, was not destroyed and through the energy and the perseverance of its executives continued to carry on as best it could.

Then the administration loosed another assault against it. Some of its leaders were summoned before senatorial committees and others were directed to appear before the Senate Civil Liberties Committee, an auxiliary of the C. I. O.

#### STILL ANOTHER ASSAULT

Still unable to break the motor industry, another governmental agency, the National Labor Relations Board, was turned loose on Ford. Ford was unjustly convicted of unfair labor practices by the order of this agency, one charge being that he told his men they did not need to pay anyone for the privilege of working in a Ford factory. Conviction on this charge shows how like Stalin and Hitler the New Deal administration has become.

Henry Ford himself was called down to Washington to visit the President, presumably on the theory that Henry would shrivel and curl in the presence of pseudo, bogus, self-anointed royalty, but fortunately for the American people,



Henry possesses the princely characteristics of the common man, simplicity, honesty, faith in country and in God and, when the interview with the waster, the spender, the nonproducer, the would-be dictator Roosevelt was over, it was evident that it was Ford, the simple man, who had prevailed in the contest.

So the hounds of the so-called Justice Department were turned loose, and now Ford, Chrysler, and General Motors and many of their officials have been indicted. What for? No matter what the charge may be made to read, the real complaint is that these industries have failed to bend the knee and bow the head and accept the terms dictated by John L. Lewis and the C. I. O.; therefore the lash wielded by the Department of Justice must be laid upon their backs.

They are being persecuted, not because they may have violated some law, but because they have been giving employment and paying wages to men who work without the consent of the President's campaign-fund collectors, John L. Lewis and the C. I. O. That is their real offense, and because of it they have been arrested and held for trial.

Said the Apostle, St. Matthew:

And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

If the President really wants to prosecute someone, why not order the Department of Justice to try the National Democratic Committee, which solicited and received contributions from corporations for the purchase of worthless campaign books, in violation of the Corrupt Practices Act? Why not call for the prosecution and trial of Ickes and Hopkins and that horde of other disbursers of political patronage who, by gifts of public moneys and favors, seek to promote the election of rubber-stamp Senators and Congressmen?

How long will the people of the Nation submit to tactics of this kind? To the "rule or ruin" policy? To the crazy notions of the man in the White House, who seems to think that industry must be destroyed that he may reign supreme?

There were jobs in Michigan; there were wages to be earned. But the C. I. O. came to Michigan to bring the blessings of the New Deal, the "more abundant life." And they brought it with gas pipe and blackjack; with riot and with civil war. In the wake of that organization, the instrumentality of the administration, loss of employment, loss of wages, hunger, and privation have followed as night follows day, and on the doorstep of the President may be laid the cause of the disaster.

IF THE AUTOMOBILE FACTORIES IN MICHIGAN CLOSE, THEY WILL CLOSE LARGELY BECAUSE OF THE PRESIDENT'S ACTIVITIES

Just prior to the election of 1936, the President came to Detroit and he told the automobile workers what he would do for them. You remember some of his promises. Look about you. Consider the empty shelves in your pantries, the dissipation of your savings, the empty pay envelope. Then get down on your knees and thank God that next November you will have a chance to repudiate Murphy and Roosevelt and get rid of these two dreamers, these two ambitious men, who, posing as friends of the worker, are, figuratively speaking, clothed in silk and purple robes and partake of food fit for the gods, while you, the workers, go hungry and your children mourn the loss of opportunity which is by right their American heritage.

What is there left for the motor industry? The executive officers of General Motors, of Ford, and of Chrysler, if they are human, must first give their attention to protecting themselves from this Federal persecution. Undoubtedly this will require practically all of their time; and, if these three great motor plants close during the coming months and remain closed, those who would otherwise work in them, those who would otherwise earn the money which provides a livelihood for themselves and their families, should remember that they are closed, not because Ford, General Motors, or Chrysler wish to close their plants, but because the man in the White House has badgered, harassed, and persecuted them until they no longer can keep them open.

If Ford, Chrysler, and General Motors officials and the others who have been indicted because they made it possible

to buy cars without paying excessive finance charges are forced to spend all their time defending themselves, they cannot operate their factories.

If the automobile factories in Michigan close, they close because of the activities of John L. Lewis, the C. I. O., the N. L. R. B., sanctioned by the President. The President and no one else is to blame if you, an automobile worker, are out of your job.

#### EXTENSION OF REMARKS

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks.

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, I may state that a few days ago unanimous consent was granted to all Members from now to the end of the session to extend their own remarks as often as they wish.

The SPEAKER. Does the gentleman desire to incorporate any extraneous matter, editorials, or excerpts?

Mr. THOMAS of New Jersey. No.

The SPEAKER. The gentleman already has permission to extend his remarks.

#### AMENDMENT OF FEDERAL-AID ROAD ACT

Mr. CARTWRIGHT. Mr. Speaker, I call up the conference report on the bill (H. R. 10140) to amend the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes; and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

(For conference report and statement, see p. 7759.)

Mr. CARTWRIGHT. Mr. Speaker, road authorizations have been in a rather unsettled condition during this Congress. The main thing, of course, is to maintain the established system which has been followed over a period of years.

On May 6 the House passed H. R. 10140, providing for an authorization of \$476,000,000 for the fiscal years ending June 30, 1940, and June 30, 1941. The Senate reduced the authorizations \$161,500,000. We went to conference and restored \$35,000,000, and this leaves a net reduction of \$126,500,000 in the amounts approved by the House.

You may wonder why all this reduction. Well, I will tell you why. We were confronted with this situation: The Bureau of Public Roads reported a carry-over of \$150,000,000 from apportionments made to the several States under previous Highway Authorization Acts, and we were reminded that the relief bill which the Congress recently passed carried an earmarked provision for \$425,000,000 for highway, road, and street improvements. We were assured that at least \$150,000,000 of this would be used for farm-to-market roads, rural free-delivery mail roads, and public-school bus routes, in which so many of us are specially interested. We were also given to understand that the President would sign the bill for the amounts carried under the Senate amendments. Notwithstanding that, we did raise the total amount authorized \$35,000,000 over the amounts proposed by the Senate, and we have every reason to believe this bill will be signed and become a law within a few days.

My colleagues, under the circumstances, we did the best we could, and I hope the report will be adopted.

I do not wish to take much time, but I will go a little further and explain that the Senate reduced Federal aid for primary roads from \$125,000,000 for 1940 to \$75,000,000. In conference we increased that to \$100,000,000. The Senate reduced the item for secondary, feeder, and farm-to-market roads from \$25,000,000 to \$10,000,000 for each year. We compromised on \$15,000,000 for each year, which, with the estimated \$20,000,000 carry-over of unobligated or unappropriated balances, makes a total of \$50,000,000 available for secondary roads during the period we are providing for in this act under our regular road program.

I could go on through the entire list of provisions in various sections for grade-crossing eliminations, forest roads, public-land roads, roads in national parks and national park-

ways, and Indian roads and trails, but probably these items will be discussed by other members of the committee.

I shall summarize by saying that if the conference report is adopted there will be, with the carry-overs from previous authorizations, a total of \$499,500,000 available for highway and road construction after January 1, 1939, according to the best estimates, for Federal participation in highway and road construction. And that is not considering in any way the \$425,000,000 provided in the relief bill for road and street improvements.

I repeat we did the best we could under the circumstances. We maintained the principles of our present proven system of highway construction in cooperation with the States, and provided authorizations which, with amounts already available, will permit highway and road improvement work to continue at about the present rate of progress. The effect will be that the States will take up the slack in the form of unobligated balances accumulated while unmatched Federal money from emergency highway appropriations could be used.

I want to take this opportunity to thank the many Members of the House who manifested an active interest in road legislation, and particularly to express my gratitude to each and every member of the Roads Committee for their faithful work and loyal support during this Congress. I have had a lot to contend with and could not have done anything without the fine cooperation I have received from the committee.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. LEAVY. Will the gentleman state the exact figures to which the reduction brought the item for roads across public lands, park roads, and forest roads?

Mr. CARTWRIGHT. I cannot put my hand on the figures at the moment.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. CARTWRIGHT. I yield to the distinguished gentleman from North Carolina.

Mr. WARREN. The House bill carried \$14,000,000 for 1940 and 1941 for forest roads and trails. That was the smallest reduction made by the Senate. They reduced it to \$10,000,000 for 1940 and \$13,000,000 for 1941.

Mr. CARTWRIGHT. There was a carry-over of \$4,000,000.

Mr. VOORHIS. Mr. Speaker, will the gentleman yield?

Mr. CARTWRIGHT. I yield.

Mr. VOORHIS. What happened to section 12?

Mr. CARTWRIGHT. Section 12 was dropped entirely. We did not agree to it and the Senate yielded, and it was knocked out.

Mr. VOORHIS. I thank the gentleman.

Mr. CARTWRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, I was glad to have the opportunity yesterday by consent of the House to insert in the RECORD my dissenting views on conference report on H. R. 10140. The statement of my views, which appears in the RECORD today, covers my argument against accepting the Senate amendments, and I do not care to take up unnecessary time here in repeating those arguments.

As a member of the conference committee I am, of course, sorry indeed to have to dissent from the views and the recommendations made by the majority of my colleagues on that committee; but as I see it I can take no other course and still be consistent with my convictions on this subject. This report should be again sent back to conference and the authorizations provided in the House bill should be restored.

The reason why my conviction in that regard is so strong is simply this: If you will make a study of the entire record of the hearings, both in the House and in the Senate, you will not find one single fact, you will not find one shred of testimony to justify any of the reductions that have been recommended in the report of the conference committee. Now, if that is the case—and I am sure no one will contend that it is not—then why should the House accept the slashings which the Senate has made in H. R. 10140?

My very good and able friend the gentleman from Oklahoma, chairman of our committee, has just told you some reasons why he thought the reductions were made and why they were agreed to in conference. I have the utmost admiration and regard for my colleague from Oklahoma, but I am sure that he and every other member of the conference committee, if direct inquiry were made of them, would tell you that the only reason these reductions were recommended was because the President demanded them and that, in the opinion of the majority of the conferees, if these reductions were not made the President would veto the bill. Now that, in my opinion, is not a sufficient reason why the House should recede and concur in virtually all of these Senate amendments, even if we were certain the President would veto the bill. In that event the House would have its remedy and it could pass the bill over the veto.

Mr. Speaker, it will be recalled that this bill was reported unanimously to the House by the House Committee on Roads and that after full debate under an open rule it was passed without reduction in any of the authorizations and without a dissenting vote. That is what the House thought about this bill then. I am convinced the House has the same opinion of it now, although I realize that the House, on account of its fear of a Presidential veto, intends to adopt the report today rather than send it back to conference in an effort to restore the authorization to the full amounts provided in the House bill.

I call your attention to the fact, nevertheless, that when the House passed this bill on May 6 it did so with full knowledge that the President had already expressed his opposition to authorizations as large as this. He did that in the message sent here early in the session, in which he asked that existing authorizations be canceled and in which he recommended reductions down to \$125,000,000 per year in authorizations to be made in the next several years. That would be a little more than one-half of the amount which the States have been receiving during the past several years from the Federal Government in aid for road building.

The Senate committee on Post Offices and Post Roads reported out the House bill without holding any public hearings after it received the bill. It merely called in the Chief of the Bureau of Public Roads who submitted his figure on the so-called carry-overs, and then reduced the authorizations for the 2 years 1940 and 1941 by \$161,000,000. In conference \$35,000,000 of this was restored and as the conference report comes to us today there is a recommended net reduction of \$126,000,000 from the House bill. I say there is no justification for that reduction. It is not based on anything. It is simply an arbitrary slash to meet the President's demands. There was no testimony adduced before any of the committees justifying this reduction. It was not justified or attempted to be justified in the conference committee, and I think I am violating no confidence when I say the opinion was freely expressed in the conference committee by the members who signed the report that these reductions could not be defended. The only reason for agreeing to them was the fear the President would veto the bill.

[Here the gavel fell.]

Mr. CARTWRIGHT. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. MOTT. Mr. Speaker, I do not think that it is proper for this House to permit its legislative actions to be determined by the question of whether the President may or may not veto a bill which the House has under consideration. The President has his own exclusive jurisdiction and responsibilities as the Chief Executive of the Nation. The Congress, likewise, has its own responsibilities and its own exclusive jurisdiction under the Constitution as the lawmakers of the United States. The jurisdiction and the duties of each are separate and distinct, and neither should undertake to interfere with or to trespass upon the jurisdiction of the other.

Mr. PIERCE. Will the gentleman yield?

Mr. MOTT. I yield to my colleague from Oregon.



Mr. PIERCE. Is it not a fact that many more millions have been taken from the W. P. A. fund for these roads than we were getting under the House bill?

Mr. MOTT. We were not getting any W. P. A. funds for roads under the House road-authorization bill. The W. P. A. road money will come from the works-relief bill. We have always received some W. P. A. funds for roads when they were available. I do not consider that the amount of W. P. A. money we may get for road work has anything to do with this bill, which provides for taking care of the regular Federal-aid highway programs of the several States for the years 1940 and 1941.

Mr. Speaker, before I yielded to my colleague I suggested that for the House to refuse to insist upon the passage of a bill which it has unanimously endorsed heretofore and which every Member of the House still favors—simply because the President might possibly veto it—would be equivalent to allowing the President to make the law.

The House should not permit itself to be put in such a position, even though it knew what the President's intentions were in this regard, because the House could still exercise its right to pass the bill, notwithstanding the veto, and it is my opinion, judging from the vote this bill received on May 6, that the House would override a veto.

As to the question of whether or not the President would veto this measure if it contains the full authorizations provided in the House bill, I may say to those who consider the possibility of a veto to be a controlling factor in this discussion that there are many reasons why, in my opinion, he would not veto the bill.

I do not, of course, presume to speak for the President or to undertake to interpret his actions or to predict what he might do in any particular circumstance. And in this respect I am no different than any of the other House conferees on this bill. The President has never told me what he was going to do about it, and, so far as I know, he has not told the chairman of our committee nor any of the House conferees. If he were so positive in his intention to veto H. R. 10140 in event the full House authorization should be retained, as it has been claimed he is, I believe he would have communicated his intentions at least to the chairman of the House Committee on Roads, which he has not.

Another reason which leads me to believe the President would not veto the House authorization is that they have met with universal approval by the whole country. Every State, every county, and every road district in every one of the 48 States wants these House authorizations retained. It would be a great surprise to me if in the face of this Nation-wide demand the President should decline to acquiesce in the wishes of the Congress that the House authorizations be retained.

It has been contended by some that, on account of the nearness to adjournment, if this conference report were sent back to conference for the purpose of trying to get the full House authorizations restored the Congress might adjourn in the meantime and we would have no bill at all. Obviously there can be no merit to such a contention. The Congress has never been known to adjourn while a bill as important to the country as this one is was in conference or while it was in the hands of the President awaiting his approval or disapproval. Gentlemen may rest assured that there will be no adjournment until H. R. 10140 becomes law, whether it is returned to conference or not.

In conclusion I can only repeat what I have already stated in my minority views. I contend that no reason has yet been advanced why we should accept the Senate reductions, even with the slight increases agreed to in conference. The report of the conference committee under the circumstances should be returned to conference with instructions that the House authorizations be restored, and the bill should become law carrying the full amount authorized by H. R. 10140, as that bill was unanimously reported by the Committee on Roads and unanimously passed by the House of the 6th day of May. [Applause.]

Mr. CARTWRIGHT. Mr. Speaker, I yield to the gentleman from Connecticut for a unanimous-consent request.

#### COMMITTEE ON THE JUDICIARY

Mr. CITRON. Mr. Speaker, by direction of the Judiciary Committee I ask unanimous consent that this committee may be permitted to sit this afternoon during the session of the House to consider the bill (H. R. 10387) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### AMENDMENT OF FEDERAL-AID ROAD ACT

Mr. CARTWRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, personally I am more in favor of appropriations for Federal aid to roads than any other form of appropriation that we pass here. We all know the vast benefits that accrue from it and how very deeply it is appreciated by the several States of the Nation.

We are faced in connection with this bill with a practical proposition, and for this reason it is not my purpose to let the remarks of the gentleman from Oregon go unanswered. The President, at the extra session of Congress, sent a message to the Congress asking that we repeal the 1939 authorization. That message was received with great regret by many Members of the House. As a member of the Committee on Roads, I take my full share of the responsibility for not acceding to the wishes of the President in that respect, because the contracts had already been made by the several States for roads during the present fiscal year.

In the same message the President asked that the authorizations for the next 2 fiscal years, in 1940 and 1941, be substantially and materially reduced. Ignoring the recommendations of the President, the House Committee on Roads, of which I am a member, brought in a bill carrying the same authorizations as we have had in the last 2 years. When the bill reached the Senate, as has already been stated, the Senate reduced the amount by \$161,500,000.

I do not believe there is any reason for secrecy in this matter, as has been inferred by the gentleman from Oregon [Mr. MOTT].

Of course, there has been no communication to me from the White House on this subject, but it was freely stated that members of the Senate committee had consulted the President about this measure and he had indicated to them the type of measure that he felt like signing in the event the Congress should pass it.

We are confronted just with this situation. As has also been stated, the House raised the Senate figures \$35,000,000. Forty-four State legislatures meet next January. It is absolutely imperative that if we have any legislation at all we have it at this session of Congress, which we hope to adjourn within the next 2 weeks. If this bill should fail of passage, if this conference report should be voted down, it means that the roads plans will be disrupted in every State in the Union and they will be left in a state of absolute chaos.

I am confident we have met the reasonable objections made by the President to this bill, and although we have succeeded in raising the amount \$35,000,000 over the Senate figures, I am likewise confident that the President will sign this bill. I believe we can make up our minds that if the House bill were adopted we would have no authorization at all for the next 2 years. [Applause.]

Mr. CARTWRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Speaker, I regret very much that the committee of conference has reduced the authorizations provided in the House bill for the construction of Federal-aid roads for 1940 and 1941. I do not believe this reduction is justified. I believe the necessity for building roads is so great that the committee of conference should have agreed

to the provisions of the House bill. I note, however, that the committee of conference has reduced the authorizations for farm-to-market roads from \$25,000,000 to \$15,000,000. To me this seems even more regrettable than the reduction of the general Federal-aid funds. There is more necessity today for the building of farm-to-market roads than there has ever been. I am indeed sorry that the committee has consented to make this reduction which was altogether too small originally. I note also there has been a reduction, which I believe should not have been made, in the authorizations for railroad crossings.

The gentleman from North Carolina has suggested the one reason, in my judgment, for the adoption of this conference report. If this bill were originally before the House with the provisions contained in this conference report I am confident it could not be approved, but with the situation that unless legislation is passed at this session of Congress to authorize these appropriations the legislatures of the several States will be unable to provide legislation to meet the Federal aid. This being the situation, it is important that this legislation be adopted at this session. If by voting against this conference report I could restore the amount provided in the original House bill, I would do so, but not being able to accomplish that result, I see no reason for voting against the conference report.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. DOWELL. I yield to the gentleman from Oregon.

Mr. MOTT. Does the gentleman know of any other method of restoring the authorizations of the House bill than by voting against the adoption of the report and sending the bill back to conference, where we can get some more consideration?

Mr. DOWELL. At this stage of the proceedings I believe the gentleman is correct, but this should have been done before hand. At this stage of the proceedings it is very difficult to secure the increase in these authorizations. I am very sorry that our conferees have consented to this report.

Mr. CARTWRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, many Members of the House who have discussed this measure with me have felt that perhaps this is an appropriation bill. Some of them seem to have forgotten we passed the appropriation bill for Federal-aid roads for 1939, and that remains in status quo. This is merely an authorization bill for the years 1940 and 1941.

I wish to take this opportunity of paying a tribute to the chairman, the gentleman from Oklahoma [Mr. CARTWRIGHT] not only for the tremendous amount of work he has done in connection with this measure but for the work he has done previously, resulting in the establishment of a principle in the method of building highways in our country.

I deplore the fact, Mr. Speaker, that our conferees could not raise this authorization to the amount included in the House bill.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I wish to second the appreciative remarks of the gentleman concerning the chairman of the House committee, and also to ask the gentleman this question: If we adopt this conference report, we are not breaking faith with the States as far as their road-making programs are concerned? I greatly regret any reduction in this field of construction, but especially do I desire not to desert the States which have been cooperating in the work of road building.

Mr. STEFAN. In reply to the gentleman from Arizona I wish to state that we agree entirely, but this has become a matter of give and take in conference. The gentleman from Arizona has been a great booster for road work because he and I know that more employment goes to workers from the road dollar than from any other source. The gentleman from Arizona has always been on the alert to protect not only his own State but has worked with us to carry out an orderly program for road building. But let me explain fur-

ther to all Members of this House. We were confronted with a Senate bill which slashed our House bill to pieces. But in conference we retained the entire principle of orderly Federal-State aid road building. For that I feel we must thank our distinguished chairman [Mr. CARTWRIGHT] and the conference committee. I know it appears that we had to take everything the Senate proposed, but that is not entirely the fact. What we did was really to increase the bill \$35,000,000 from the Senate cut, which now is a total of \$126,500,000.

We had to let the Senate cut for 1941 stand as the Senate wrote it. We were able to eliminate section 12, which would have stopped States from using their own prerogative as to taxation and which would have been a great hardship on the counties and the county commissioners and county supervisors in road work. We also were able to cut out section 14 which would have given the Secretary in Washington all power over how roads should be constructed and would have also given him tremendous power over traffic regulations. These sections are out. They represent a victory for the House. Regarding section 12, the House committee is unanimous against diversion, but the section went too far.

There is one deplorable thing in this compromise, however, to which I cannot subscribe. My distinguished chairman knows of my continuous fight for farm-to-market roads. I did not care to talk again on this road matter for fear of becoming bothersome to the House, but I thank my chairman for giving me this opportunity to conclude my thoughts on the matter. The cut in the farm-to-market road item is too deep. Naturally I am appreciative of the fact that our committee was able to boost this \$5,000,000, but that is a drop in the bucket. I thought that I had reached a compromise in committee by not remaining adamant on my determination to make this item \$35,000,000. Our committee fixed it at \$25,000,000, and the Senate immediately cut it to \$10,000,000. Now we have pushed it back up to \$15,000,000. I will support the conference report, however, because I am assured that out of the new relief funds we will get \$150,000,000, and that there is an unexpended balance for the same item of about \$40,000. If I could be assured that we will get \$205,000,000 for farm-to-market roads this year, I would be very happy.

Mr. CARTWRIGHT. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. CARTWRIGHT. It was indelibly impressed upon us that \$150,000,000 out of the relief bill which we passed a few days ago would be used for farm-to-market roads.

Mr. STEFAN. I thank my distinguished chairman. I was coming to that matter again if time permitted. I wish to tell Members that our chairman has always assisted us in our fight for farm-to-market roads and to him we owe much credit for getting the item into the regular road bill after many months of work. We retain the principle that farm-to-market roads must remain in the bill. That the secondary roads at last must be given as much attention and that they are as important as these gigantic tourist highways. Now that my chairman has mentioned it, I wish to inform the House that when we passed the new relief bill there was an item of \$425,000,000 set aside for roads, streets, highways, and so forth. We were told time and again that at least \$150,000,000 of this would go to the construction of farm-to-market roads. I hope that those who are in power will not forget that promise.

It has been no easy matter to finally convince the great road builders of our Nation that it is very important to provide roads for farmers to reach their markets. After many months of work in the days when this item was never even thought of in these regular road bills, we were able to convince the executive department that the farmer still travels over mud roads. There are thousands of miles of these mud roads in existence today. In my State of Nebraska we have farmers who cannot reach the regular highways during inclement weather. They cannot reach their mail boxes. Rural mail carriers cannot travel over them.



Farmers cannot reach the towns. When that happens the towns are dead because when the farmer cannot reach the trading points there is no trade and the merchants might as well close their doors. All business stops. Railroads and trucks have nothing to haul and jobbing houses get no orders. These farm-to-market roads are the best national defense we have. They are the arteries to the Nation's food basket. These big road people who are so interested in selling cement, steel, and other material finally saw the light. From the first relief bill we secured money for the first farm-to-market road work. It has been very popular in all States where people realize that when the farmer cannot travel, there is no business. In this first drive for farm-to-market roads we were given much encouragement and assistance by President Roosevelt with whom some of us discussed the matter personally.

Perhaps it would be unbecoming for me to quote the President here, but I know that he feels that this kind of road building is economically sound and that it provides work for many unemployed in sections where we cannot build other things. The rural mail carriers have assisted us in this work because they travel these roads and know what it means for a farmer to be marooned and isolated on his farm when other citizens travel so comfortably only a few miles away.

So I say, Mr. Speaker, I feel deeply that perhaps some effort may be in the making here to eliminate this secondary road item from our road program. I know that cost of cement roads has been cut down to \$20,000 a mile for a 20-foot slab as compared with \$30,000 a few years ago. I know that much material is purchased for these fine tourist roads, and I know that materialmen would rather have the paved roads. We cannot pave all the farm-to-market roads today, but we can put a little stone and gravel on the mud and make it possible for the farmer to have all weather roads at a very small expense. The farmer does not ask for much when he asks to be allowed to reach these fine highways which he has helped to pay for with his tax money. So I caution Members here today to be ever on the alert to keep this principle of farm-to-market roads in all our regular Federal-aid legislation. Otherwise you may find special interests ready to eliminate the principle altogether. Feeling we have won by keeping the principle of farm-to-market roads in this bill I shall gladly support the conference report.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. MAY. Does the gentleman know anything the Congress has ever done or could ever do that is more beneficial than the construction of farm-to-market roads?

Mr. STEFAN. I thank the gentleman from Kentucky for his contribution. The gentleman from Kentucky was one of those who helped to make the secondary or farm-to-market road work possible. In reply to his query I wish to say that I know of nothing that the Government has done that is more beneficial than the construction of farm-to-market roads. The gentleman from Kentucky answered his own question because he has fought so ardently and so earnestly on the floor of this House for the cause of the farmers in his district and his State. Because of my interest in the welfare of the farmers of my district and my State I merely join him here in expressing their views. If they were here personally—and I wish that sometimes they could all come here—they perhaps could and would say it in more determined language. Because they are not here and because they sent me here as their hired man to speak for them, I merely do the best I know how to represent them. I hope and pray that I have carried out their wishes.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. CARTWRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, I hesitate to detain the House. It is well known that there has been a difference between the Executive and the Congress respecting Federal-

aid highway legislation. I believe that the conference report is a fair solution of those differences, and in these differences I am sure that the Congress has been victorious. I doubt, with all deference, that my colleague the gentleman from Oregon [Mr. MOTT] speaks for the President of the United States. I think there are others who are more qualified to do so and who can speak with more authority respecting his views.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. In a moment. I want first to complete my statement. I am sure that we are all in agreement with respect to farm-to-market roads. The House conferees insisted upon an increase in the provisions for farm-to-market roads over those carried in the Senate bill. Two increases have been made. Some members on the Committee on Roads felt that there should have been an adjustment in an effort to meet the views of the Executive when this bill was before our committee. Personally I think there should have been a percentage reduction in all appropriations, but a majority of the committee of the House did not agree with that viewpoint. Personally I think the House has lost in that regard because the conferees have insisted upon every reduction made by the Senate being retained, and this conference report provides for every reduction being retained except as to Federal-aid highways and secondary roads. Under existing authorizations the amount authorized for Federal aid is \$125,000,000 annually. Under the conference report there is a reduction of \$25,000,000 in 1940 and \$10,000,000 in 1941. We have increased the authorization for secondary roads from \$10,000,000 to \$15,000,000. I remind the House that in the pending relief and emergency appropriation bill there will be expended in the next fiscal year approximately \$400,000,000 for secondary roads and streets, and for that reason in an effort to maintain the principle of Federal aid, those of us who know and have cooperated with the Executive agreed that for the next 2 years we would have probably the best provision for secondary roads that our country has ever had. Therefore, we agreed to a reduction for the next 2 years in the authorizations for secondary roads, and I believe that we are right. I believe the bill as agreed to in conference is far better than no bill at all.

I conclude by saying that we have maintained existing law and that we have eliminated the provision of the Senate that would have increased penalties for diversion. We stand for the prevention of diversion. The House went into that matter carefully. Existing law as interpreted by the Department of Agriculture was contained in the House bill. The House eliminated that provision because the House was satisfied with existing law. This conference report conforms to the views of the House with respect to diversion.

We eliminated the section that gives to the Secretary of Agriculture supreme power to fix standards, and we provide for that cooperation existing between the Bureau of Good Roads and the State highway departments in the past. I trust that the conference report will be adopted.

I now yield to the gentleman from Oregon [Mr. MOTT].

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. CARTWRIGHT. Mr. Speaker, I yield the gentleman 1 minute.

Mr. MOTT. Mr. Speaker, I understood the gentleman to say that in the course of my remarks I was claiming to speak with authority for the President of the United States.

Mr. WHITTINGTON. I said that there are others in the House better qualified to interpret the views of the President of the United States than the gentleman from Oregon, and I stand on that statement. [Applause.]

Mr. MOTT. If the gentleman said that I claimed to be speaking with authority for the President of the United States, I hope that he will correct his remarks, because I made no such claim.

The SPEAKER. The time of the gentleman from Mississippi has again expired. The question is on ordering the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question now is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

REPORT OF UNITED STATES RAILROAD ADMINISTRATION, 1937 (H. DOC. NO. 697)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

*To the Congress of the United States:*

I transmit herewith for the information of the Congress the Annual Report of the United States Railroad Administration for the year ended December 31, 1937.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 1, 1938.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—MOUNT OLIVET CEMETERY CO.

The SPEAKER also laid before the House the following message from the President of the United States:

*To the House of Representatives:*

I return herewith, without my approval, H. R. 10004, Seventy-fifth Congress, "An act to amend an act entitled 'An act to incorporate the Mount Olivet Cemetery Co. in the District of Columbia.'"

This bill would exempt the Mount Olivet Cemetery Co. in the District of Columbia from paying special assessments for public improvements which may now or hereafter be levied against the land devoted to cemetery purposes.

The president of the Board of Commissioners in his letter of May 25, 1938, recommending disapproval of this bill, invites attention to the act of March 3, 1903, which provides that:

No property except that of the United States Government or the District of Columbia, and property owned by foreign governments for legation purposes shall be exempt from assessments for improvements.

And states that, in the opinion of the Commissioners, the enactment of this bill would establish an unfortunate precedent since churches, charitable institutions, and other organizations of similar character would feel that they too would be entitled to the same treatment.

I concur in the recommendation of the Board of Commissioners, and am, therefore, withholding my approval of this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, June 1, 1938.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. PALMISANO. Mr. Speaker, I move that the bill and the accompanying message be referred to the Committee on the District of Columbia.

The motion was agreed to.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the roll of the committees.

Mr. RAYBURN (when the Committee on the Election of the President, Vice President, and Representatives in Congress was called). Mr. Speaker, I ask unanimous consent that further proceedings under the call of the calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PURE FOOD AND DRUG BILL

Mr. LEA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate,

foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 5, the pure food and drug bill, with Mr. DRIVER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the hour the Committee rose yesterday there was under consideration an amendment offered by the gentleman from Mississippi [Mr. DOXEY]. The Committee will proceed to the consideration of the amendment.

The gentleman from Mississippi is recognized on the amendment.

Mr. DOXEY. Mr. Chairman, at the conclusion of the consideration of this bill in the Committee of the Whole yesterday afternoon there was pending an amendment I offered on page 73, beginning in line 18 and ending in line 20, which merely strikes out the exception in the language expressed in the bill. We did not enter into a discussion of the merits of my amendment.

I assure the chairman of the committee and the members of the committee that I am in accord with the general purposes and intents of this bill. My only purpose is an effort to try to right what, to my mind, appeared to be or could possibly be a wrong. As this bill came to the House originally it was referred to the Committee on Agriculture, of which I am a member. Afterward it was re-referred to the Committee on Interstate and Foreign Commerce. I have followed it with some degree of interest.

My amendment dealing with a certain type of people, especially those who diagnose cases by mail, who are not given any exception or exemption in this bill, was prompted possibly by my personal knowledge of some of those who would be vitally affected if this provision of the bill becomes a law. I was very much interested yesterday in the statement of the distinguished chairman of the committee, the gentleman from California [Mr. LEA]. To my mind his explanation does not reach the real, vital, fundamental principle that I have in mind. I realize, of course, that legislation helps some but hurts others. I discussed this matter briefly with the distinguished gentleman from California before I offered this amendment, relating in particular to the matter of asthma. Asthma is a peculiar disease. We also discussed epilepsy. Some asthma treatments are good, some are bad. I know, of course, that you cannot diagnose an asthma case without a case history and without knowing what is behind it in addition to an examination of the patient. Asthma is caused by a great variety of things and I shall not attempt to enter into a scientific discussion of the subject here. There is one firm at Mount Gilead, Ohio, however, with which I am familiar, and which is familiar also to the gentleman from California, that would likely have to go out of business if this provision remained in the bill as it now reads, notwithstanding the fact that the formula used by this concern was handed down from generation to generation and has resulted in a great deal of benefit to asthma sufferers. I do not know how many other similarly reputable firms would be affected by this provision, but I imagine that many of the Members in this body know of individual cases and firms which if not permitted to come within the exemptions of this bill would have to cease operations. In this view of the matter, in this light, and in this spirit, I introduced this amendment. I feel that the amendment should be adopted.

I repeat that I am in hearty accord with efforts to do away with quacks and to try to protect the public from being practiced upon by those misinformed and poorly equipped who, in many instances, bring injury rather than relief and benefit.

My purpose is to help rather than hinder. I want the public protected, but at the same time I do not want this legislation to contain provisions that will destroy doctors and



firms who have rendered great and valuable service to suffering humanity and made their life's work a benediction and blessing to the afflicted.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

I have listened with great interest to the remarks of the distinguished gentleman who has just spoken; however, I find myself conscientiously at variance with him. There may be individuals or companies that can diagnose by mail. On the other hand, I believe that those who can render an adequate diagnosis of disease of any kind by mail are so far in the minority, and that those who purport to diagnose by mail and are quacks are so much in the majority, I am constrained to oppose the gentleman's amendment. With all due respect to the remarks of the gentleman, he still has not convinced me. It seems to me, if there is a medicinal preparation for the treatment of asthma or any other condition, certainly a physician would like to find such preparation and would be glad to prescribe it; therefore, Mr. Chairman, I say again I am constrained to oppose the gentleman's amendment. I fear it would open the door to quackery and serve to hurt suffering people and do exactly what we do not want this bill to do. For the reasons stated I am against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. DOXEY].

The amendment was rejected.

The Clerk read as follows:

#### CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

SEC. 504. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only and for the certification of batches of such colors, with or without harmless diluents.

#### NEW DRUGS

SEC. 505. (a) No person shall introduce or deliver for introduction into interstate commerce any new drug, unless an application filed pursuant to subsection (b) is effective with respect to such drug.

(b) Any person may file with the Secretary an application with respect to any drug subject to the provisions of subsection (a). Such person shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such drug is safe for use; (2) a full list of the articles used as components of such drug; (3) a full statement of the composition of such drug; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug; (5) such samples of such drug and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such drug.

(c) An application provided for in subsection (b) shall become effective on the sixtieth day after the filing thereof unless, prior to such day the Secretary by notice to the applicant in writing postpones the effective date of the application to such time (not more than 180 days after the filing thereof) as the Secretary deems necessary to enable him to study and investigate the application.

(d) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug is unsafe for use under such conditions or do not show that such drug is safe for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity; or (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug, he has insufficient information to determine whether such drug is safe for use under such conditions, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

(e) The effectiveness of an application with respect to any drug shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds (1) that clinical experience, tests by new methods, or tests by methods not deemed reasonably applicable when such application became effective show that such drug is unsafe for use under the conditions of use upon the basis of which the application became effective, or (2) that the application contains any untrue statement of a material fact. The order shall state the findings upon which it is based.

(f) An order refusing to permit an application with respect to any drug to become effective shall be revoked whenever the Secretary finds that the facts so require.

(g) Orders of the Secretary issued under this section shall be served (1) in person by any officer or employee of the department

designated by the Secretary or (2) by mailing the order by registered mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

(h) An appeal may be taken by the applicant from an order of the Secretary refusing to permit the application to become effective, or suspending the effectiveness of the application. Such appeal shall be taken by filing in the district court of the United States within any district wherein such applicant resides or has his principal place of business, or in the District Court of the United States for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, or upon any officer designated by him for that purpose, and thereupon the Secretary shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm or set aside such order. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary or unless there were reasonable grounds for failure so to do. The finding of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified findings which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the setting aside of the original order. The judgment and decree of the court affirming or setting aside any such order of the Secretary shall be final, subject to review as provided in sections 128, 239, and 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, secs. 225, 346, and 347), and in section 7, as amended, of the act entitled "An act to establish a Court of Appeals for the District of Columbia", approved February 9, 1893 (D. C. Code, title 18, sec. 26). The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

(i) The Secretary shall promulgate regulations for exempting from the operation of this section drugs intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety of drugs.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: Page 76, line 15, after the comma, insert "or if such drug shall be alleged to cure cancer."

(Mr. PHILLIPS asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. PHILLIPS. Mr. Chairman, the amendment I have just offered is along the line of the amendments I offered yesterday. I am sorry to say they were defeated. Everywhere in this bill where I could find an opportunity to write into the bill a clause or phrase striking against those miserable, contemptible charlatans who are endeavoring to pretend to the American people that they can cure cancer I have endeavored to do so. I am indeed trying to strike at those people.

Mr. Chairman, I produced on this floor yesterday printed and typewritten evidence to the effect there are charlatans who are, through the mails, stating they can cure cancer. They are deluding poor, suffering human beings who grasp at any straw they can grasp in an endeavor to have that horrible disease, cancer, alleviated and cured. You know and I know the only cures for cancer are surgery, X-ray, or radium; therefore anybody who purports to cure cancer in any other way is a miserable, contemptible, inhuman charlatan. In an endeavor to stop this sort of thing, this chicanery in medicine that is being inflicted on our people, I am introducing this amendment and hope it will be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. PHILLIPS].

The amendment was rejected.

The Clerk read as follows:

#### CHAPTER VI—COSMETICS

##### ADULTERATED COSMETICS

SEC. 601. A cosmetic shall be deemed to be adulterated—

(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions

of use prescribed in the labeling thereof, or under such conditions of use as are customary or usual: *Provided*, That this provision shall not apply to coal-tar hair dye, the label of which bears the following legend conspicuously displayed thereon: "Caution—This product contains ingredients which may cause skin irritation on certain individuals, and a preliminary test according to accompanying directions should first be made. This product must not be used for dyeing the eyelashes or eyebrows; to do so may cause blindness," and the labeling of which bears adequate directions for such preliminary testing. For the purposes of this paragraph and paragraph (e) the term "hair dye" shall not include eyelash dyes or eyebrow dyes.

(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(e) If it is not a hair dye and it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 604.

#### MISBRANDED COSMETICS

Sec. 602. A cosmetic shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(c) If any word, statement, or other information required by or under authority of this act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(d) If its container is so made, formed, or filled as to be misleading.

#### REGULATIONS MAKING EXEMPTIONS

Sec. 603. The Secretary shall promulgate regulations exempting from any labeling requirement of this act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

#### CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

Sec. 604. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in cosmetics and for the certification of batches of such colors, with or without harmless diluents.

#### CHAPTER VII—GENERAL ADMINISTRATIVE PROVISIONS

##### REGULATIONS AND HEARINGS

Sec. 701. (a) The authority to promulgate regulations for the efficient enforcement of this act, except as otherwise provided in this section, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 801, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

(c) Hearings authorized or required by this act shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

(d) The definitions and standards of identity promulgated in accordance with the provisions of this act shall be effective for the purposes of the enforcement of this act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

(e) The Secretary, on his own initiative or at the request of any interested industry or substantial portion thereof, shall hold a public hearing upon a proposal to issue, amend, or repeal any regulation contemplated by any of the following sections of this act: 401, 403 (j), 404 (a), 406 (a) and (b), 501 (b), 502 (d), 502 (f), exclusive of the proviso therein, 502 (h), 504, and 604. The Secretary shall give appropriate notice of the hearing, and the notice shall set forth the proposal in general terms and specify the time and place for a public hearing to be held thereon not less than 30 days after the date of the notice, except that the public hearing on regulations under section 404 (a) may be held within a reasonable time, to be fixed by the Secretary, after notice thereof. At the hearing any interested person may be heard in person or by his representative. As soon as practicable after completion of the hearing, the Secretary shall by order make public his action in issuing, amending, or repealing the regulation or determining not to take such action. The Secretary shall base his order only on substantial evidence of record at the hearing and shall set forth as part of the order detailed findings of fact on which the order is based. No such order shall take effect prior

to the ninetieth day after it is issued, except that if the Secretary finds that emergency conditions exist necessitating an earlier effective date, then the Secretary shall specify in the order his findings as to such conditions and the order shall take effect at such earlier date as the Secretary shall specify therein to meet the emergency.

(f) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect may at any time prior to the ninetieth day after such order is issued file a complaint with the district court of the United States for the district wherein such person resides or has his principal place of business, to enjoin the Secretary from placing the order in effect and to compel him to modify the order in the respects set forth in the complaint. The summons and complaint may be served at any place in the United States. The Secretary, promptly upon service of the summons and complaint, shall certify and file in the court the transcript of the proceedings and the record on which the Secretary based his order. The court shall, upon the showing that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence at the proceeding before the Secretary, permit the complainant to supplement the evidence in such record by adducing additional evidence, which the Secretary may rebut, bearing on the validity of the order. For this purpose the court may require such evidence to be taken before the court or a master, or may remand the case to the Secretary for the taking of such evidence and the making of such amendment to his order as may be required. The court shall have jurisdiction by appropriate judgment to enjoin the Secretary, temporarily or permanently, from placing in effect or enforcing his order. The court may by such judgment in addition direct the Secretary to take such further action as justice may require. Any action instituted under this subsection shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office. The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(g) A certified copy of the transcript of the record and proceedings under subsection (e) shall be furnished by the Secretary to any interested party at his request, and shall be admissible in any criminal, libel for condemnation, exclusion of imports, or other proceeding arising under or in respect to this act, irrespective of whether proceedings with respect to the order have previously been instituted or become final under subsection (f).

Mr. MAPES. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 83, line 20, strike out all of paragraph (f), section 701, and insert the following:

"(f) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect may obtain a review of such order in the circuit court of appeals of the United States within any circuit where such person resides or carries on business by filing in the court, within 60 days from the date of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, and thereupon the Secretary shall certify and file in the court a transcript of the entire record in the proceeding, including all the evidence taken and the report and order of the Secretary. Upon such filing of the petition and transcript the court shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, evidence, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceedings before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearings in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code."

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MAPES. Mr. Chairman, it is unfortunate to have to consider an amendment of this importance with so few Members on the floor. Several months ago the Committee on Interstate and Foreign Commerce, which reported the



pending committee substitute, brought in a bill to amend the Federal Trade Commission Act. The amendment which I have offered is the same as the court review section in the Federal Trade Commission Act with only such changes as are necessary to adapt it to the pending bill. In substance my amendment is identical with the provision reported by the Committee on Interstate and Foreign Commerce relating to the Federal Trade Commission, except that it applies to the Food and Drug Administration instead of the Federal Trade Commission. I referred yesterday to similar provisions in the acts relating to other regulatory bodies. At that time I did not have before me this act relating to the Federal Trade Commission. As I said yesterday, nowhere is there any law that I know of having to do with a regulatory body that is comparable or similar to the provision contained in the pending bill. This legislation started out to enlarge the scope of the food and drug law and the jurisdiction of the Food and Drug Administration, but if this section remains in the bill it will end up by materially weakening and limiting the authority of the Food and Drug Administration.

The chairman of the Committee on Interstate and Foreign Commerce yesterday stated that the minority report was unfair and unwarranted, in that it quoted a letter of the Secretary of Agriculture with reference to this legislation. When did it become unfair or unwarranted to let the membership of the House know what the views of the head of a great department are in regard to legislation affecting one of the principal bureaus of his department? I find myself in the position of trying to sustain, as against the majority of the committee, the views of not only the Department of Agriculture, but the Department of Justice as well, with reference to this legislation.

I hold in my hand a memorandum which was prepared by the Department of Justice with reference to this bill. I may say it was not prepared for me or at my request. However, I have been authorized over the telephone to say that it was prepared in the Department of Justice and expresses the views of that Department in regard to some of the provisions of this bill.

I shall read extracts from it and put the rest of it in the RECORD without taking the time to read it. It is as follows:

RE S. 5—PURE FOOD AND DRUG BILL

Section 701 (f), which relates to judicial review of the orders of the Secretary of Agriculture by means of injunction suits in the United States district courts, constitutes a radical and undesirable departure from established practice.

This section provides that any person adversely affected by any such order may bring an injunction suit against the Secretary of Agriculture in the district wherein such person resides or has his principal place of business. The consequence of such grant of jurisdiction would be to subject the Secretary to the possibility of injunction suits by different parties in 85 different districts to review the validity of the same order. The Secretary conceivably might be required to defend simultaneously numerous suits in as many as 85 jurisdictions.

Now, listen to this:

Not only would this result in an intolerable burden on the Government, in that Government attorneys, Department of Agriculture experts, Government files, laboratory specimens, etc., would have to be carried from district to district, but divergence of decisions might result which would tie up enforcement for months and even years until the conflict of decisions is ironed out by a series of decisions of the circuit courts of appeals or by a decision of the Supreme Court of the United States. The ultimate result would be to seriously hamper and weaken the enforcement of the Pure Food and Drug Act.

Under existing law, heads of Government Departments are suable only in the District of Columbia, because the District of Columbia is regarded as their official residence.

Do the Members get that? Under existing law, heads of Government Departments are suable only in the District of Columbia.

No reason appears for extending preferential treatment in that respect to litigants under the Pure Food and Drug Act, which is not extended to litigants against heads of other Government Departments or to litigants who sue the Secretary of Agriculture under other statutes.

That is not my language. It is the language of the Department of Justice.

The memorandum continues:

If the long-standing and established practice is followed, persons who feel aggrieved at an order of the Secretary of Agriculture, and desire a judicial review of the validity of his action, should be required to pursue their remedy in the District Court of the United States for the District of Columbia. In that way not only would the Government be saved the intolerable burden above mentioned but a diversity of decisions would be prevented, and a final determination could be expeditiously secured in a single jurisdiction as to the validity of an order of the Secretary. In this way the citizen would have his day in court and would be accorded the full and complete right of judicial review of the validity of an administrative order or regulation. At the same time interference with enforcement of administrative orders and regulations, and the orderly conduct of governmental business would be reduced to a minimum.

It is, therefore, suggested that if this subsection is to remain in the bill, it should be amended by striking the words "for the district wherein such person resides or has his principal place of business" from page 83, line 25, to page 84, line 1, of the bill, and substituting in lieu thereof "for the District of Columbia."

And now listen to this, and this again is the language of the legal Department of the Government, the Department of Justice. I tried to make this clear yesterday, and I am glad to be substantiated by the Department of Justice.

As a matter of fact, the entire subsection is really unnecessary, because even without any express provision in the bill for court review, any citizen aggrieved by any order of the Secretary, who contends that the order is invalid, may test the legality of the order by bringing an injunction suit against the Secretary, or the head of the Bureau, under the general equity powers of the court.

The memorandum then discusses another section of the bill. While that part of the memorandum is not pertinent to my amendment, I will incorporate it in the RECORD. It is as follows:

Sections 304 (a) and (b) which relate to seizure, contain provisions under which the owner of the article libeled by the Department of Agriculture may secure under certain circumstances a change of venue at his option. No such privilege, however, is accorded the Government. Why a defendant should be extended the option of choosing in what jurisdiction he should be sued, and yet the Government should be precluded from making a selection of the district in which suit should be brought, appears to be inexplicable.

It should be noted that under the Federal judicial system, changes of venue are unknown. There are no provisions in Federal statutes permitting either party to move for a change of venue. No reason appears for introducing this remedy in respect to one type of proceedings under a special statute. Moreover, if the remedy is to be accorded at all, it should be equally available to both parties.

Specifically, sections 304 (a) and (b) provide that if two libels are pending involving the same person and the same issues, in two or more districts, the claimant may require that the proceedings be consolidated for trial and tried in any one of such districts which is selected by him. Why should not the selection be made by the Government, which is the plaintiff in the libel proceedings?

The section further provides that the trial in such cases may also be had in a district in a State contiguous to the State of the claimant's principal place of business, such district to be agreed upon by stipulation or to be designated by the court. In other words, under the second alternative, the claimant in a series of libel proceedings may insist on having all the libels transferred to one district, and at that a district in which none of them is pending, so long as such district is contiguous to the State of the claimant's principal place of business. No reason appears for according to the owner of articles charged with being in violation of the Pure Food and Drugs Act, the right to select the forum in which the issues shall be determined.

It is suggested, therefore, that section 304 (a) be amended by entirely striking therefrom the clause beginning with the word "and" on line 14, page 53, and ending with the end of the subsection; and that section 304 (b) be amended by entirely striking therefrom lines 4-21, inclusive, on page 54 of the bill.

Then the Department of Justice concludes:

It is important to observe that the provisions to which objection is made are not limited to the new powers proposed to be granted to the pending bill.

It would seem as if the writer of the minority report, which the chairman of the committee says is unwarranted and unfair, might have had some consultation with the Department of Justice before drafting the report. Let me assure you, however, that he did not have any such consultation.

The Department of Justice says, I repeat—

It is important to observe that the provisions to which objection is made are not limited to the new powers proposed to be granted by the pending bill. They would affect the enforcement of the

present law, as well as of the new law, and therefore, are particularly undesirable in that they may undermine, hamper, and weaken the entire enforcement of the Pure Food and Drugs Act.

The Secretary of Agriculture states the enactment of this section would hamstring the Department in the enforcement of the Food and Drugs Act.

The Department of Justice memorandum closes with this statement:

While undoubtedly this is not the intention, unfortunately, it may be the result of the enactment of the bill in its present form.

Why should the Food and Drug Administration, among all the regulatory bodies of the Government, be singled out for special treatment and, in the language of the Secretary of Agriculture, be hamstrung in its enforcement of food and drugs laws providing for the protection of the health and the well-being of the consuming public—the men, women, and children of the United States? Why should the Food and Drug Administration be put on trial? Why one rule for other regulatory bodies and another for the Food and Drug Administration?

Perhaps the apple growers have been overemphasized in this debate. They are not the only ones affected by this law. The law applies to proprietary patent medicines, to impure and adulterated foods and drugs of all kinds, and to cosmetics and devices. Is the House ready to weaken the administrative efficiency of the Food and Drug Administration in all its regulatory work merely to satisfy the complaints of the apple growers? If this bill applied only to apple growers perhaps this section would not be so objectionable, but it applies to all violators of the food and drugs law or to all who come within its provisions. As the Secretary of Agriculture states in his letter which is printed in the minority report, the enactment of this section as it stands will hamstring the Food and Drug Administration in the enforcement of the entire law.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. MAPES. I yield to the gentleman from California.

Mr. VOORHIS. Is it not true that the inclusion in the bill of this section will mean we are taking a backward step; in other words, there is no provision of this kind in existing law, and if existing law is not strong enough to accomplish the purpose, then surely this new legislation would not be.

Mr. MAPES. Absolutely. That is the opinion not only of the men who signed the minority report but of the Department of Agriculture, the Food and Drug Administration, and the Department of Justice.

Mr. VOORHIS. Does the gentleman know whether there has been any legitimate amount of complaint that there has not been sufficient opportunity to get a review of orders up to now?

Mr. MAPES. No. Let me say in that connection—and I am glad the gentleman interrupted me—that under existing law any individual may go into the district court in which he resides for the purpose of obtaining an injunction against any order of the Food and Drug Administration that applies to him, that is arbitrary, capricious, unreasonable, or contrary to law, and that will cause him irreparable damage. No one proposes to take that right away from anyone.

Mr. FORD of California and Mr. MURDOCK of Arizona rose.

Mr. MAPES. I yield to the gentleman from California.

Mr. FORD of California. Is it not true that under the law as written, if that provision were left in the bill it would practically vitiate all the desirable things that the bill seeks to accomplish?

Mr. MAPES. Yes.

Mr. FORD of California. And is it not also true that if that provision were eliminated and no other amendment put in, although I like the gentleman's amendment, they would still have the usual remedy that anyone now has under the laws of the United States of America?

Mr. MAPES. The gentleman is entirely correct, and my amendment goes more than half way. It tries to meet the views of the Committee on Interstate and Foreign Commerce as expressed in recent legislation taking the advertising of

foods and drugs away from the Food and Drug Administration and putting it under the jurisdiction of the Federal Trade Commission. It proposes to give everyone the same kind of a court review of an order of the Food and Drug Administration as he has of an order of the Federal Trade Commission. That is all it does. [Applause.]

[Here the gavel fell.]

Mr. ROBERTSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not intend to enter into any elaborate discussion of this amendment. The effect of the amendment is simple. It makes a departmental order supreme and denies to those affected a day in court. It makes it virtually impossible for any user of a spray material for fruit or vegetables to test in court the reasonableness of a departmental order affecting residue tolerance.

The amendment seeks to accomplish this in two ways. In the first place, it provides that if there be any evidence whatever, regardless of how inconsequential or flimsy it may be, to support the findings of the Department of Agriculture, such evidence becomes conclusive and binding upon the court. You do not have any hearing on the facts under this amendment. Of course, the Department would have some evidence, but our position is that it should be evidence that is substantial and that, in the opinion of a reasonable court, would justify the court in upholding the order of the Department that issued it.

The second provision of this amendment—and I could not follow my friend fully on this, but I understood him to say yesterday he wanted to bring all these cases to the District of Columbia. I now understand that some cases could be heard in the circuit court of appeals of the State in which they arose, but if the question at issue is Nation-wide in its effect, it still has to come to the District of Columbia.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON. I yield.

Mr. MAPES. As I said in answer to an interruption, I have gone more than half way to meet the views of the Committee on Interstate and Foreign Commerce as expressed in the recent bill which the committee reported relating to the Federal Trade Commission.

Mr. ROBERTSON. Mr. Chairman, this court-review section has been provided in the Senate bill, and I feel that I am justified in stating to the House that this bill will be enacted into law by the Senate without it. This court-review section is approved by a majority of the committee that brings this bill to us. It has the support of every apple organization in the United States. It has the support of all the organizations representing the production of any type of fruit or vegetable where spray must be used in the production.

If we adopt this amendment we will leave thousands and thousands of farmers in this Nation who must depend upon the reasonableness of departmental regulations with respect to spray residue to keep their products on the market at the mercy of the Department. We have had an illustration within the past 5 years of what might happen to them. Dr. Tugwell, Acting Secretary in the absence of the Secretary of Agriculture, in misguided enthusiasm to protect the public health, well meaning but ignorant of what was involved, promulgated a tolerance as to lead residue that was nearly 100 percent below the then existing tolerance. It would have put every apple producer in the United States out of business. It was so capricious and so unreasonable that as soon as the Secretary got back and considered the matter he reversed it and restored the previous tolerance. That happened once. It could happen again; and under the amendment proposed by our distinguished colleague from Michigan fruit and vegetable raisers could be destroyed without a day in court. I do not believe for a minute this House will vote to subject the farmers of this Nation to any such hazard at a time when we all know they are not making both ends meet. [Applause.]

[Here the gavel fell.]

Mr. VOORHIS. Mr. Chairman, I rise in support of the amendment. I ask the gentleman from Michigan [Mr. MAPES] if he will be good enough briefly to explain to us



what his amendment provides, in contradistinction to the provisions of the bill.

Mr. MAPES. Mr. Chairman, it provides in the first place that anyone who desires to test the validity of a regulation or order of the Food and Drug Administration, instead of being permitted to go into any district court of the United States, must go before a circuit court of appeals within the district in which he resides. The hearing would then come up before a three-judge court instead of a one-judge court. The action would be confined to 10 circuits instead of to 85 districts. The amendment also contains the usual provision, that the court is bound by the findings of fact of the Food and Drug Administration if supported by substantial evidence, or evidence, and if new evidence is discovered after the hearing, then the court, instead of opening the case and taking the testimony itself, must remand the case to the Food and Drug Administration to take the additional evidence. That is the usual provision.

Mr. VOORHIS. What about injunctions under the gentleman's amendment?

Mr. MAPES. The injunction matter is outside of both of these provisions. The injunction remedy by any aggrieved person is had without reference to the provisions in the bill or to my amendment.

Mr. VOORHIS. I thank the gentleman.

Mr. COFFEE of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS. Yes.

Mr. COFFEE of Washington. Section 701 (f) which is involved in this dispute at the present time is the one to which the leading women's clubs and consumers' organizations in America are offering objection, is it not?

Mr. VOORHIS. So I understand.

Mr. COFFEE of Washington. Every organization of which I know anything that has made a study of this question is bitterly opposed to section 701 (f).

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS. Yes.

Mr. THOMAS of Texas. To ask a question of our colleague from Michigan [Mr. MAPES]. Under section 701 (f) of the bill, suppose a manufacturer is making improperly some type of food or drug, and persisted in that distribution. How long would it take under that procedure before the Government could really stop him from using the channels of interstate commerce?

Mr. MAPES. I do not know that I can answer that question.

Mr. VOORHIS. We have had some experience, I believe, with other types of legislation.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS. Certainly, I yield to the chairman of the committee.

Mr. LEA. Under this bill the Government can act in that case within 24 hours.

Mr. THOMAS of Texas. The Government can act within 24 hours, but how effectively can it act within a year even?

Mr. LEA. It can stop the circulation of it in 24 hours, because under this bill we give the Food and Drug Administration the right to an injunction to stop it immediately.

Mr. THOMAS of Texas. And that injunction remains in effect until it goes through the regular routine of court procedure?

Mr. LEA. We give that power to the Food and Drug Administration in every case, practically, that is involved here.

Mr. THOMAS of Texas. And it stops right there?

Mr. LEA. Yes, absolutely; and that is a new power we give, by the way.

Mr. VOORHIS. Mr. Chairman, as I understand the provisions of section 701 (f) it would mean that if one district court was willing to issue an injunction holding up an order of the Secretary under this bill, that that would mean that that order could not go into effect regardless of how serious or important the provision was, and because it avoids that possibility, it seems to me, that the amendment of the gen-

tleman from Michigan is a worthy one, and should be supported. I believe we have had experience with other types of legislation, where we have seen an endless amount of litigation take place, where we have seen the machinery hung up over long periods of time. This is a matter where we are attempting to get effective regulation for the protection of the health of the people, and I would hope, as was said by the gentleman from Michigan, that we would not have to hamstring the Administration in that fashion. I call the attention of the House also to the fact that no such provision as this is in existing law, that this is a new departure and that it further complicates the situation over what we have now, and that if we wish to strengthen the Food and Drug Administration, we should not take the step of writing section 701 (f) in the bill.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SAUTHOFF. Mr. Chairman, I move to strike out the last word. I have asked for this time purely to get this thing straightened out as between the gentleman who proposes the amendment and the gentleman from California, the chairman of the committee. If I understand correctly, the gentleman from Virginia [Mr. ROBERTSON], replying to the injury that might be done to some apple concern which was selling a sprayer—

Mr. ROBERTSON. Oh, not an apple concern selling a spray, but to the farmer producing apples, who must spray them, to protect them from insects.

Mr. SAUTHOFF. Very well. Let us take that situation. If any apple raiser felt himself aggrieved now, without this law, under an order of the Secretary, he could very properly go into his district court and ask for an injunction, alleging that such order was working him an irreparable injury. Is not that true?

Mr. ROBERTSON. No; not exactly true.

Mr. SAUTHOFF. Why?

Mr. ROBERTSON. Because he does not get a hearing in the courts on the facts but only on the law; yet the Government in its prosecution of those cases where residue tolerances have been exceeded have never thus far proven a case where spray residue has been injurious to the human body.

Mr. SAUTHOFF. That is not the question. The question here involved is the remedy, and the remedy exists if I am not mistaken. You have your hearings before the Secretary, your facts are produced before the Secretary; and the law, of course, must conform to the facts. That is your case. Any grower who feels himself aggrieved, of course, has the right to get an injunction. It seems to me as I look over this amendment offered by the gentleman from Michigan that it is an excellent amendment and much better than section 701. Section 701 seems to me to hamstring our law and make it pretty easy for the makers of proprietary and patent medicines to defeat the wishes of Congress by constantly going into various hearings and taking appeals from the hearings and going into court for injunctions. With 85 different district courts, just think of the chance a chain store has. It could undoubtedly prolong litigation and hold it up in one State after another. The way to avoid that, in my judgment, is to hold the hearing before the Secretary, and let the Secretary make his findings. If, then, the applicant feels himself aggrieved, let him take an appeal to the circuit court of appeals rather than to the district court, because there are a limited number of circuit courts of appeal; and, secondly, when a decision is handed down you are more apt to have uniformity of decisions. This stands to reason. In looking over the amendment offered by the gentleman from Michigan it seems to me ample remedy is afforded to any applicant who feels himself aggrieved, because one part of the amendment gives him the opportunity to bring any additional evidence he may have on which to make a showing.

[Here the gavel fell.]

Mr. LEAVY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it is to be regretted that so many of us who apparently think alike are so far apart upon this particular amendment. The difficulty doubtless lies in the fact that the Pure Food and Drug Administration is being given power to regulate by a bureaucratic order both processed products and those that are produced naturally. The argument made in opposition to the present language in the law has some substantial weight when applied to processed products, but when you get over into the field of natural products, like all fruits and vegetables growing above ground, that have to be protected from pests by the use of spray material, then you have examples in which it does an injury that is irreparable. The individual producer can get no relief if he is denied a hearing before the order is made, and also denied a day in court as would happen if this amendment prevails.

I take issue with the gentlemen who say you can go into any Federal court and there get an injunction against an agent of the United States Government, for official actions. Every lawyer knows that the United States Government cannot be made a party defendant. No individual can bring a suit against the Government except by congressional authorization. I challenge the gentleman from Michigan [Mr. MAPES] to cite authority authorizing such general actions, as he refers to in his remarks, where the citizen can institute suit against the United States.

Mr. SAUTHOFF. Mr. Chairman, will the gentleman yield?

Mr. LEAVY. I will yield to the gentleman if he will cite me the Federal statute that authorizes an action of that kind on the part of an individual against the United States Government.

Mr. SAUTHOFF. I am not citing—

Mr. LEAVY. If the gentleman cannot give me a citation, I do not care to have more of my time consumed.

Mr. SAUTHOFF. The suit is brought against the person holding office, not against the Government.

Mr. LEAVY. The person making the order is an executive officer of the Government.

Mr. SAUTHOFF. Certainly.

Mr. LEAVY. He is appointed by the Secretary of Agriculture. The Secretary of Agriculture is appointed by the President, who is the head of the executive branch of the Government; and any court action must be against him as an official, and not as an individual; therefore it becomes a suit against the United States.

The reason this has no comparison with the citations of law concerning the Federal Trade Commission and the Communications Commission and all those other commissions is the fact that they are not executive arms of the Government; they are quasi-judicial bodies that hold hearings and determine in a judicial manner the facts. In the instant case, however, you have an executive officer who arbitrarily sits down, without hearing a particle of evidence, if he sees fit, and makes an order. That is exactly what occurred, so far as I have been able to learn, in connection with spray residue. I am sure no one will contend there was a hearing where evidence was taken, where interested parties could appear, and where a record was made.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. LEAVY. I am sorry, I have not time enough. If I have time later, I will yield.

Here is what the eighth circuit court said last year, and the grower had to wait until \$5,000 of his property was seized and destroyed.

The court said:

It is obvious that the question whether such an amount of arsenate of lead as is present in these apples would be present if they were processed and would result in an injury to health under the evidence is a controversial and doubtful question of fact.

[Here the gavel fell.]

Mr. LEAVY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LEAVY. Mr. Chairman, the court further said:

It is to be noted in this connection that no expert who testified upon the trial was able to say that he knew of any case of lead or arsenic poisoning resulting from eating apples which had been sprayed by arsenate of lead, or the products of such apples.

In spite of a finding by the second highest court in the land, the Food and Drug Administration did not see fit to change its tolerance limit, and, as I stated yesterday, this has cost the growers of our State of apples and pears alone \$36,000,000 since this regulation has been put into effect, in 1926. We have no court to which we can go for relief. The bill as now written gives us that relief. Why should that be denied to us? We want to protect the public, but you should not destroy thousands of farmers by an arbitrary departmental order.

Mr. Chairman, eighteen one-thousandths of a grain of lead on a pound of apples is considered dangerous under present orders. We are asking that we may be given twenty-five one-thousandths of a grain to the pound of apples, and we feel we are safe. Scores of the best medical and chemical experts have said that is safe. We have certificates, and we have made showings to the Department of Agriculture, from over 100 doctors who have practiced from 5 to 30 years in communities where these apples are produced, and they have never had to treat a case of lead-arsenate poisoning. The Public Health Service is now carrying on an official investigation to scientifically determine the limit of tolerance. This should have been done before any order was ever made. Lead poisoning is possible by inhalation through the lungs or by injection into the blood stream, but there is no evidence whatever that it is possible by ingestion or eating.

Mr. ROBERTSON. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Virginia.

Mr. ROBERTSON. Does not the gentleman from Washington think that a man who has all of his life savings invested in an apple orchard should have a day in court before we put him out of business through some departmental order?

Mr. LEAVY. I certainly do, and that is exactly what this bill gives to him. It is a question whether you are going to permit the American citizen, whose economic existence is being threatened and taken from him, the opportunity to go into court.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. It occurs to me that the gentleman has put his finger exactly on the spot. I rather favor the amendment that has just been offered, but I can also see the gentleman's point. We are enacting this legislation for the protection of the consuming public, but we must safeguard the legitimate producer. Is there any way to separate the operation of this law in such a way that the provision in the printed bill may apply to natural products, whereas the amendment offered may apply to manufactured or processed products?

Mr. LEAVY. It could probably be done through an independent quasi-judicial body, set up to determine these matters, hold hearings, and from the hearings and the record made take such action as the facts warrant, and then an appeal might be taken to the courts, just as is now done with the National Labor Relations Board and other boards and commissions.

Someone here suggested, "Why, take this case into the circuit court for your injunction." The circuit courts are appellate courts and do not have original trial jurisdiction. Of necessity you have to go into a district court in the first instance, so long as this subject matter is under the executive department of the Government.

Mr. REES of Kansas. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman does not want this House to understand that he cannot go into a Federal court, take his transcript, his abstract and brief and be heard by the Federal court?

Mr. LEAVY. I want the House to understand that my view of the law is that an apple grower in the State of



Missouri, Virginia, or Washington cannot institute an action against the United States Government for injunctive relief without congressional authority to do so.

Mr. REES of Kansas. The action would not be against the Government. The action would be against the Secretary of Agriculture as an individual.

Mr. LEAVY. The Secretary of Agriculture is the agent of the Federal Government, and he acts in an executive capacity. What he does in enforcing the laws he does in his official capacity, not his individual capacity.

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the big complaint here seems to be on the part of apple growers. Out of all the people affected by the amendment or that may be affected, it seems the only complaint comes from the apple growers. I think the apple growers want to comply with the laws of our country; and, after all, if the apple growers are going to use a poisonous substance in connection with their operations, they ought to be willing to comply with reasonable, fair rules and regulations. I realize there are a great many big apple growers in this country who would be very careful in the use of these poisonous substances, but there may be a great many others who might not be so careful.

If the only complaint comes from the apple growers, I do not believe that is sufficient to sustain the objections made to this particular amendment.

Let me call your attention to something else. Under the present section of the bill, you will observe if you give it your attention, there is a complete departure from our regular method of handling problems of this kind. Anyone who has a complaint has a right, of course, to be heard. He is given a full and complete hearing; and, by the way, in the stockyards case just decided by the Supreme Court it was held that both sides must be given a complete hearing. You also may secure a rehearing. All you do is bring your evidence before the Federal court in the form of a transcript, file your abstract and your brief, and you will receive a hearing by the Federal court.

Under the present bill you go back into the Federal court after a full and complete hearing. You pick out your court that suits you. If you do not get what you want, you pick out another Federal court, go in there and start all over again. You introduce your evidence on one side, then the other, and try the case. In other words, you have another trial. You then appeal the case to the Supreme Court if you want to. You would be forever and ever in the courts if you leave this particular section in the bill.

I say to you again, Mr. Chairman, no matter how good this bill may be or appear to be, if you are going to leave this particular section in the bill, you ought to vote against the bill, because it will not be worth anything if you leave that section in it.

Mr. ROBERTSON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Virginia.

Mr. ROBERTSON. I am afraid the gentleman from Kansas is confusing enforcement of a regulation with the promulgation of the regulation. The apple producers do not object to the strict enforcement of proper and reasonable regulations, but this goes to the promulgation of a regulation that might conceivably be capricious and arbitrary. We say, if that should be the case, let us have it so that before the Department promulgates a regulation it will know it must have sufficient proof to make that regulation stand up in court when challenged by a producer who states it is capricious and unreasonable.

Mr. REES of Kansas. Oh, the gentleman is going on an assumption here.

Mr. ROBERTSON. That is what is involved.

Mr. REES of Kansas. The assumption is that the Department of Agriculture is going to pick up the apple growers and be particularly unfair to that particular group.

Mr. ROBERTSON. No; I do not say that; but I say before you pass a law that would enable the Department to wipe out an industry you should give that industry an opportunity to have a day in court on the reasonableness of the regulations that are promulgated.

Mr. REES of Kansas. Under this bill that question would be tried out in case an action is brought against someone who is alleged to have violated that particular rule or regulation that has been made by the Department of Agriculture.

Mr. ROBERTSON. I believe we should accept the provision in this bill as reported by the committee.

Mr. REES of Kansas. Our first consideration is taking care of the health of the public. We are talking about a pretty dangerous thing when we are talking about the apple growers being permitted to use a poisonous spray to protect their particular article.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. BUCK. Would not the gentleman rather have the apples free of codling moths than eat those bugs that would be in a lot of apples?

Mr. REES of Kansas. Oh, yes; but that has nothing to do with the question.

[Here the gavel fell.]

Mr. O'CONNELL of Montana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Michigan, and I rise as a member of the committee who signed the minority report strictly because of the reason that this so-called court-review section was in the bill. I say, as every other man who has spoken in behalf of this amendment has said, if you permit this bill to stand with the present court-review section in it, you may as well kill the measure entirely, because you are going to create a situation far worse than we have now. As I understand, on yesterday and all day today those who are here pleading in behalf of the apple growers have time and time again said there has never been one single, solitary case of a death resulting from arsenic poisoning caused by spray residue. I have here a citation taken from the American chamber of horrors, which is absolutely authentic.

Ten-year-old Ralph Dodge died from eating perhaps a dozen sprayed apples picked up in the orchard where his father was employed. When the family doctor saw him the day after his indulgence he was too far gone to be helped, for he had been having convulsions, and his throat was closed, making it impossible to give him any medication by mouth. The autopsy disclosed damage to the liver and other organs that was clearly indicative of metallic poisoning. On chemical analysis these organs were found to contain 2.5 milligrams of arsenic trioxide and 6.3 milligrams of lead per kilo of sample. This, of course, was not all the poison the boy had taken into his system, for some had been distributed to other tissues and some had been eliminated. But there was enough for the death certificate to say:

Cause of death, poisoning, acute, arsenical.

I have here a photostatic copy of the certificate of death from the State of West Virginia, County of Jefferson, wherein the Clerk of the County Court in said county certifies that the death was due to poisoning, acute, arsenical.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNELL of Montana. I yield to the gentleman from Washington.

Mr. LEAVY. I am granting now that what the certificate indicates is a fact, although I am rather inclined to be doubtful, but that does not apply to apples that have a reasonable tolerance limit and have the spray removed to a reasonable degree.

Mr. O'CONNELL of Montana. I say this absolutely destroys the arguments that have been made here that there has never been a death from arsenic poisoning from spray residue.

Mr. SIROVICH. Will my distinguished colleague yield for a question?

Mr. O'CONNELL of Montana. I yield to the gentleman from New York.

Mr. SIROVICH. From a medical standpoint, it is the consensus of opinion that whenever you spray apples with a lead arsenic preparation the Government of the United States ought to supply every farmer with a dilute solution of hydrochloric acid, which is very weak, and which washes off the spray and does not harm anyone. This solution is being used in California and in Oregon and Washington. In many instances apples may contain a hypersaturated solution of the preparation and may cause gastro-intestinal disturbances. In this particular case the boy ate 12 apples, as I understand, which gave a cumulative dose, and this was responsible for the arsenical poisoning. If the Government supplied every farmer in the United States with a dilute solution of hydrochloric acid, which is very cheap, none of these occurrences would ever happen.

Mr. O'CONNELL of Montana. The gentleman is correct.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. O'CONNELL of Montana. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is it not a fact that the apple producers and apple shippers comply with the rules and regulations of the Department of Agriculture and wash apples and prepare them for shipment in compliance with the regulations for the removal of the spray?

Mr. O'CONNELL of Montana. The very reason you are pleading here or the very reason that the apple growers are pleading here is because they do not want to comply with the regulations of the Department. They want to have this so-called spurious court proceeding or court review, which would permit them to go into courts all over the country and permit them to tie up the proceedings indefinitely, and then after a decision is rendered they will take up some other protective feature of the law and go into the courts on that, so that, finally, you will have no food and drug law whatsoever.

[Here the gavel fell.]

Mr. O'CONNELL of Montana. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. WHITE of Idaho rose.

Mr. O'CONNELL of Montana. I do not want the gentleman to take up all the rest of my time.

Mr. WHITE of Idaho. I think the gentleman wants to enlighten the Committee on this question.

Mr. O'CONNELL of Montana. I yield to the gentleman.

Mr. WHITE of Idaho. I represent an apple-producing section of the West and, as a matter of fact, the object of the apple growers is to comply with a reasonable tolerance with respect to apples in interstate commerce, and today at a great deal of expense they wash their apples in the big packing plants.

Mr. O'CONNELL of Montana. I do not want the gentleman to make a speech, and the fact they do that today is because there is regulation, but they want to fix it now so they will not have to do anything of that kind.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. O'CONNELL of Montana. I yield.

Mr. SIROVICH. Does the gentleman think this section is for the benefit of the producer or for the benefit of the consumer?

Mr. O'CONNELL of Montana. This section, as written, is decidedly for the benefit of the producer and not for the consumer.

It has been stated that the issue here is whether you are going to wipe out the investment of these poor apple growers, but I contend that the issue in this court review section and the issue in this bill is whether you are going to permit these young children and men and women to be killed by spurious patent medicines and by all the fake drugs and cures that are

flooding the market today, which are far more involved in this bill than the question of the production of apples.

The question further is whether little children are going to die in vain and whether all this agitation over such poisonous deaths is to be in vain. The question is whether we are going to wipe all that out now in order to help a few apple growers in this country. I maintain that human life is far more important than profits.

Are we going to legislate for the great benefit of the American people and for the consumers of the United States or are we going to legislate for this little group?

I hope sincerely you will support the amendment of the gentleman from Michigan [Mr. MAPES].

Mr. BUCK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I shall not use 5 minutes. I just want to cite the actual history of lead-arsenic tolerance for the last few years to show you how necessary it is to have a review of the facts, to find out whether departmental findings are based on facts.

The tolerance for years and years was fixed at 0.003 without any harm whatsoever to consumers. On April 2, 1933, the then Assistant Secretary of Agriculture Tugwell and his advisers became convinced that that was not right, and they fixed the tolerance at 0.014 grain of lead. Only 2 months and 18 days later Secretary Wallace reached a different conclusion and raised it to 0.02 grain, and subsequently it was changed again to 0.018. Now, which determination, if any, was right? What finding was the fact?

The only safety the average citizen, not merely the apple and pear grower, has is to require the Government to prove in every case the soundness of its regulations and the basis on which they rest. There is no way in the world, unless you leave this section in the bill, whereby not merely the apple grower, but the pear grower, or any other producer of perishable commodities can protect himself against such erratic meanderings of the minds of the departmental authorities as I have briefly cited you.

Mr. LEA. Mr. Chairman, it is unfortunate that a question of law and of legitimate procedure for the protection of the people of the United States must be discussed with so much exaggeration and distortion as has been presented here today.

Some time ago I attended a meeting of about 300 lawyers in the city of Washington who were concerned with administrative law. It seemed to be the unanimous opinion of these men, even the men in the Government Departments themselves, that we badly need a provision regulating the court review of administrative proceedings. I believe there is no good lawyer in the United States who will not admit we are seriously in need of legislative improvement of procedure as to administrative law and practice. Our committee recognizes this, and we have attempted in this bill to provide a legitimate, orderly method of hearing these cases and disposing of them more promptly and in a way that will greatly reduce litigation. If more farsighted and progressive, the Departments would welcome provisions such as we have in this bill. With greater prestige to themselves they would face less litigation and dispose of their cases more promptly. But to the static mind every innovation, no matter how beneficial ultimately, is destructive of their rights. They cannot conceive of their being deprived of any arbitrary power to the advantage of the public.

A substitute amendment is proposed here that seeks to gut this court-review section. It does all it can to destroy a legitimate court review without providing one that is of any use. It provides, among other things, that if the record contains any evidence to support the findings, then the court must deny relief against arbitrary action by the administrative agency. The proposal is absurd on the face of it. Nothing could be better written into the law to shield irresponsible government, than the court review in the gentleman's amendment. It is a perfect arrangement for arbitrary exercise of power without legitimate opportunity for the citizen affected to protect himself.



Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. LEA. Later on.

Mr. MAPES. Right on that point.

Mr. LEA. Very well; but make it brief.

Mr. MAPES. The gentleman supported the provision which he is now criticizing in supporting the amendment to the Federal Trade Commission.

Mr. LEA. But the Federal Trade Commission is a semi-judicial body. Here we have a purely administrative body with no judicial procedure. Even if I supported a less desirable provision yesterday that is no reason I should repeat the mistake today.

I know of a case in one of the Departments in which three men had the right to write regulations. They were inexperienced men; they were incompetent men. They would go into a back room and write regulations, with the result that there was a regular stream of irresponsible regulations coming from that Department. After a little experience was applied to their regulations they appeared as utterly ridiculous.

It is a question whether you want orderly government by legitimate procedure, or whether you want to protect irresponsible, bureaucratic control. Do you want government by edict, or by orderly procedure. We have had to fight for any court review. Now it is claimed the Department is for some kind of a court review. What we are offered is a pretense instead of substance. It is a shield for the exercise of arbitrary power. The amendment presented here is skillfully designed to really prevent any legitimate and necessary court review.

It is said that there is no comparable law. As to fundamental features, that would not be true; but it is true that today we have no legitimate orderly law that provides for a practical method of testing the validity of regulations prior to their enforcement.

Recently the Supreme Court reversed a case affecting the Secretary of Agriculture, and why? The case had been pending for 7 years, and only the other day it was decided on a matter of procedure instead of passing on the merits. It was because we do not have any orderly procedure provided by the statutes of the United States such as we offer here. If this provision had been in effect, the Secretary of Agriculture would probably have had that case decided several years ago, and in his favor. He would have been provided with a clearly defined course of duty that would have saved him from the pitfall in which he finds himself. Our court-review procedure is largely based on judicial interpretation of the Constitution, without any orderly defined procedure.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LEA. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LEA. The scarecrow is thrown out here about having the same kind of a case pending at the same time in each of the 85 judicial districts of the United States. It is represented to you that when the Secretary wants to adopt and enforce a regulation, suit will be brought in each of 85 districts in the United States to restrain him, and if one district rules against the regulation, it will be tied up all over the country. Nonsense. There is no just foundation for that statement. These courts can decide in favor of the Secretary as well as against him. One in his favor is just as potent as one against him. If one court decides the matter, that decision is binding in that district and no place else in the United States. The presentation of such a scarecrow as that is not intended to be of any help toward reaching a just conclusion.

One great trouble we have had in the formulation of this bill is propaganda. We have had innocent groups of good people used to pull chestnuts for shrewd propagandists in Washington. A wire goes out from Washington, and next day these good people, with little knowledge of what it is all

about, proceed to act as if they were manikins operated by the irresponsible and concealed hand corrupting their sources of information from Washington. They permit themselves to be used to seek to intimidate or influence men in Congress to act in violation of their own better judgment.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. SIROVICH. What would be the modus operandi under his amendment as opposed to the amendment offered by the gentleman from Michigan if the Department had to deal with a condition such as occurred a few years ago when Ginger Jake poisoned 25,000 people in 20 States of the Union, killed hundreds of them; yet only 5 people were sent to jail for about 2 years? What would happen if this amendment suggested by the gentleman were approved as opposed to the amendment offered by the gentleman from Michigan?

Mr. LEA. This is not the provision that takes care of such a situation. In such a case it would be too slow to adopt a regulation to be put into effect 90 days afterward. We have taken care of that in this bill by clothing the Department with a new authority, authority to file an injunction immediately and stop the evil in 24 hours. In addition to that we have provided severe criminal penalties. The new drug sections of the bill provide for the examining and testing of these products before they are put on the market.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. REECE of Tennessee. I think it is well to bear in mind that the injunction provision which is to be invoked in case of emergency, when public health is being endangered, enables the Department to go into court and immediately remove the offending product from circulation.

Mr. LEA. That is true.

Let me refer again to the apple question. Do not get a perverted view of the apple situation for that is only one phase of this subject. This problem involves regulations adopted by administrative departments with the people of the United States not knowing who is writing the regulations, regulations that have the effect of a law passed by this Congress, Nation-wide in scope, for violating which a citizen may be sent to jail for as much as 3 years. Do you want such important functions performed in a perfunctory and irresponsible way, or subject to a procedure that will assure that work being done under a sense of responsibility?

In 1933, after the spraying season was partly over, news came out that certain tolerances only would be permitted. Then came the question of inspection to see whether or not the pears, or apples, or whatever the food might be, conformed. It was proposed that the farmers' fruit would be inspected at New York. He took it to the packing house in California, shipped it to New York on consignment because he could not sell it for cash, and subject to inspection at New York. If it did not conform to the requirements it had either to be reconditioned or destroyed. When you destroy a carload of fruit it means that the average small farmer in California has lost all the profits on his fruit that year. He may have figured on paying off part of his mortgage or doing something for his family, but a regulation like that if carried out would have prevented it. I sincerely hope the substitute amendment will be defeated.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. MAPES) there were—ayes 34, noes 57.

So the amendment was rejected.

The Clerk read as follows:

#### EXAMINATIONS AND INVESTIGATIONS

SEC. 702. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory the Secre-

tary shall attempt to make inspection of such food at the first point of entry within the United States when, in his opinion and with due regard to the enforcement of all the provisions of this act, the facilities at his disposal will permit of such inspection. For the purposes of this subsection the term "United States" means the States and the District of Columbia.

(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this act the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article, or the owner thereof, or his attorney or agent; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such reasonable terms and conditions relating to, the operation of this subsection as he finds necessary for the proper administration of the provisions of this act.

(c) For purposes of enforcement of this act, records of any department or independent establishment in the executive branch of the Government shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary to make such inspection.

Mr. LEA. Mr. Chairman, I offer an amendment to the preceding section.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 82, lines 17 to 19, strike out the words "at the request of any interested industry or substantial portion thereof" and in lieu thereof insert, "or upon an application of any interested industry or substantial portion thereof stating reasonable grounds therefor."

Mr. LEA. Mr. Chairman, this is the amendment that during general debate I stated I would offer. It provides that when a request is made on the Secretary of Agriculture for a hearing before him reasonable grounds shall be shown; and it is a further attempt to meet the attitude of the Department of Agriculture as to procedure under the court review section.

Mr. MAPES. Mr. Chairman, I rise in support of this amendment because it corrects in some respects the action of the committee to which the minority report called attention, and which the minority report said weakened the administrative feature of the act. I am glad to note that the majority of the committee has been converted to the views of the minority in this respect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEA].

The amendment was agreed to.

Mr. LEA. Mr. Chairman, I offer another amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 85, line 5, after the word "request", insert "and payment of the costs thereof."

The amendment was agreed to.

Mr. LEA. Mr. Chairman, I ask unanimous consent to return to page 49, line 5, for the purpose of correcting a mistake in the text of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. MAPES. Mr. Chairman, reserving the right to object, may we have the amendment reported.

The CHAIRMAN. Without objection, the Clerk will report the amendment for the information of the House.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 49, lines 5 and 6, strike out the words "any certificate authorized under the provisions of section 505, or."

Mr. LEA. Mr. Chairman, there is a mistake in the reference there. The bill was amended in reference to the new drug section and when it was brought into the House the print shows an incorrect reference. I offer the amendment to strike out the incorrect reference.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEA: Page 49, lines 5 and 6, strike out the words "any certificate authorized under the provisions of section 505, or."

The amendment was agreed to.

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Mr. PHILLIPS. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: Page 86, line 10, after the word "act", strike out the period, insert a colon and the following words: "Provided, That no exception shall be made in connection with any so-called cancer cure."

Mr. PHILLIPS. Mr. Chairman, this is the last of the many amendments which I shall offer for the consideration of the Committee on the subject of purported cures for cancer. As the Committee will no doubt have gathered by this time in connection with the various amendments which I have offered—and this is, as I say, the last one—I have endeavored to write into the law repeatedly and again the proposition that any so-called cure for cancer is a fake, a chicanery, and the product of a charlatan, unless that cancer cure be X-ray, radium, or surgery. The wording which I have endeavored to insert in this bill would, if the Committee had adopted my amendments, strike down and do away with the contemptible practices of many charlatans in America today who hold out to poor, suffering people the idea that they can be cured of cancer, when these same contemptible scoundrels have no idea of curing these poor people and when they know they have no cure. All these quacks are trying to do is take money away from the poor, suffering people, who are merely grasping at straws as they reach out to get some help to cure themselves from this dread disease, cancer. After all of the endeavors which have been made to strike against these contemptible ones who are thus victimizing the American people, I trust the Committee will adopt this last amendment and write into the bill a definite provision striking at such pusillanimous fakers.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I am greatly in sympathy with the amendment the gentleman has offered. I wish to do away with quackery, too, but may I ask the gentleman, must we not be careful not to prevent research that may lead to the cure of this dread disease? I have gone on record as favoring every possible step that this Government can take to investigate the cause and cure of cancer. We should not only appropriate money to carry on the work but cooperate with private investigators. I am wondering if the gentleman in his desire as shown by these offered amendments will not block somewhat the efforts to find such a cure?

Mr. PHILLIPS. I am glad the gentleman asked the question. May I repeat for the benefit of some of the gentlemen who may not have heard. The question was asked whether this effort would really stop any endeavors to find a cure for cancer. The answer, of course, is that all over the United States reputable medical schools, reputable physicians, and reputable research investigators are endeavoring to find a cure for cancer. There is not a single one of them who falsely claims he has a cure or who advertises a cure or holds out false hope to anybody. Each is doing a scientific job in a scientific way. This amendment is an endeavor to strike against the charlatans who practice quackery, and it will not in any way strike against reputable persons endeavoring to find a cure for cancer.

Mr. HOUSTON. Will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Kansas.

Mr. HOUSTON. I shall be very glad to support the gentleman's amendment, but I think he should incorporate in there capital punishment for all convicted of kidnaping.

Mr. PHILLIPS. I would be glad to do that if that subject would not be ruled out of order in this bill, which it would, inasmuch as discussion of such a subject at this place would be ruled by the Chair as extraneous and not germane. I would make the capital punishment, too, the kind of capital punishment that everybody would be afraid to have meted out to him.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. SIROVICH. Does the gentleman know of any magazine, newspaper, periodical, or publication that today prints



advertisements by persons claiming they can cure cancer, without the Federal Trade Commission ordering their arrest and issuing an order to cease and desist?

Mr. PHILLIPS. I am pleased the gentleman has asked that question, which I am glad to answer. Yesterday right on the floor of this House I showed the Members of the House a printed advertisement that came in the mail to me. The gentleman from Nebraska [Mr. Luckey] said he had received a duplicate of it. In plain English this advertisement stated its sponsors had a cure for cancer. I also showed on the floor of the House yesterday, another advertisement from a certain medical school in New Jersey, which claimed in so many words that simply by water they could cure cancer. I believe that answers the gentleman's inquiry.

Mr. SIROVICH. Will the gentleman furnish me with these advertisements? If he will, I will give them to the Federal Trade Commission, which will put these people out of business in a week's time.

Mr. PHILLIPS. I will gladly do that. May I say to the gentleman I have already been in touch with the Postmaster General on this very question, and I welcome the cooperation of the gentleman.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FULLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know of no authority by which my friend, the gentleman from Connecticut [Mr. Phillips], a layman, can speak as an authority on cancer. I know the American Medical Association advocates the belief that cancer cannot be cured except by knife, X-ray, or by radium, but I know, and everybody else knows, and every physician knows that that is not true in all instances. I have no fight with the medical profession because to my mind they are among God's noblemen, but they are not immune from mistakes. A few years ago if one had told us you could soon fly from here to San Francisco in a few hours, everyone would have thought you were crazy, and the same principle applies to electric lights, automobiles, phonographs, motion pictures, radio, and many other modern inventions. The entire medical profession that is not hide-bound is willing indeed to find a remedy for cancer. I may say to my good friend of Phillips' magnesia fame, they might have said in advertising his business a few years ago that there was not a cramp in a gallon of magnesia, but we who have had experience know that is not true. Should we thus be blind to the fact that this same magnesia brings relief. Should we brand the remedy as a farce? Legislation should not be enacted upon hatred or false information. There is a man by the name of Norman Baker in my home city, Eureka Springs, who is operating a very large institution for cancer cure. He sends to Members of Congress and throughout the United States mails the statement that he can cure cancer, and he invites investigation by this House or any other unbiased Federal agency as to the truthfulness of his statement.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FULLER. I yield to the gentleman from Connecticut.

Mr. PHILLIPS. Does the gentleman maintain that this man who sends out that advertising really can cure cancer?

Mr. FULLER. I do not think anything about it; I know he does. That is, I have seen many who claimed they were cured. I am not to be used as a witness.

Mr. PHILLIPS. I disagree with the gentleman.

Mr. FULLER. I am not advocating his cancer cure nor interested in his fight with the American Medical Association. However, I know people come to this city by the hundreds, and there are from 500 to 600 people there all the time, yet the people of my community say they hear all praise and scarcely a complaint. A few of the patients have died there, and some of them have gone back home

to die. Of course, nobody can cure all kinds of diseases in their advanced stages. However, in the little time I have been home in the last 18 months, which is about a month and a half, just like the rest of the Members of Congress, I have seen people by the dozens in the barber shop and in the streets claiming they have been cured. North of me in Missouri, the district represented by Mr. DUNCAN, is an institution operated for years, where many people of my community have been cured of so-called cancer.

Of course, the cases I refer to are not stomach cancers, or the inward cancers; they are mostly external cancers, that you can see. This man, Norman Baker, who operates the cancer institution in my town, invites the Congress of the United States to investigate him. I made a speech on the floor of the House a few days ago and asked the gentleman from California [Mr. Scott], who had a resolution pending, to amend it so the Congress could investigate Baker's claim of cancer cure. If he is a crank and a fake, I want the people of the United States to know it. If he has a real remedy that is curing the worst curse that affects the American people, I want the people of the world to know it in order that they can receive some of the benefits of that great institution. This man does not ask any favors from Congress. If he is a crook, investigate him. Introduce a resolution and put Members of Congress, even the gentleman from Connecticut, as radical as he is, on that committee of investigation, together with others who are not biased and prejudiced, and let them go there and investigate and see whether or not his cure is a fake. I do not know why a man should be so imbued with one idea as a layman that he would write into the laws of the country and place upon the statute books a fallacy by saying that "such and such is a fact, and I, as a layman, declare it," without submitting it to a tribunal for determination or permitting some other person to pass judgment upon it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was rejected.

The Clerk read as follows:

#### RECORDS OF INTERSTATE SHIPMENT

SEC. 703. For the purpose of enforcing the provisions of this act, carriers engaged in interstate commerce, and persons receiving food, drugs, devices, or cosmetics in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this act by reason of their receipt, carriage, holding, or delivery of food, drugs, devices, or cosmetics in the usual course of business as carriers.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not intend to take the floor again on this subject, but after the eloquent address of the gentleman who has just spoken I cannot do otherwise. After the personal remarks and all the advertising he has given it, I only regret I no longer have any financial interest in the preparation which he has advertised to such good purpose here this afternoon.

With regard to the subject of cancer, I know the gentleman is absolutely sincere in what he has stated and I am just as sincere in what I say, but I believe the gentleman is grossly misguided. I wish it were not personal so that I could state how and why I have some knowledge of the subject. I would not take the time of the Members of the House to discuss it at this length unless I did have some knowledge. However, respect for the amenities, or whatever you want to call it, prevents me from using the word

"I." The fact is that I do know something about the subject of cancer, as I hope the gentleman has gathered, or I would not take the time of the House with these discussions. I am just as convinced as I am that I stand here, and I say it with all the earnestness that I command, that the only cure today for that dread disease we are spending millions of dollars to try to cure—cancer—is surgery, X-ray, or radium.

Mr. FULLER. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman.

Mr. FULLER. The gentleman knows that the physicians themselves say that is not a cure.

Mr. PHILLIPS. The gentleman is absolutely right. Unfortunately, a great part of the time they cannot cure it and nobody else can either, and I again say with all the earnestness that I can bring forward that anybody who holds out the hope of cure in any other way than as I have stated is a contemptible charlatan, and in my honest opinion is guilty of holding out false hope to suffering people. I hope the gentleman who has just spoken will be willing to investigate the case further before he puts his stamp of approval on any other form of cancer treatment than X-ray, surgery, or radium, if you want to call it treatment that may cause thousands of people, in the end, greatly to suffer. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

#### FACTORY INSPECTION

SEC. 704. For purposes of enforcement of this act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

#### PUBLICITY

SEC. 705. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this act, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

#### COST OF CERTIFICATION OF COAL-TAR COLORS

SEC. 706. The admitting to listing and certification of coal-tar colors, in accordance with regulations prescribed under this act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

#### CHAPTER VIII—IMPORTS AND EXPORTS

SEC. 801. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated, misbranded, or in violation of section 505, then such article shall be refused admission. This paragraph shall not be construed to prohibit the admission of narcotic drugs the importation of which is permitted under section 2 of the act of May 26, 1922, as amended (U. S. C., 1934 edition, title 21, sec. 173).

(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within 3 months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury

when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this act if it (1) accords to the specifications of the foreign purchaser, (2) is not in conflict with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package to show that it is intended for export. But if such article is sold or offered for sale in domestic commerce, this subsection shall not exempt it from any of the provisions of this act.

#### CHAPTER IX—MISCELLANEOUS

##### SEPARABILITY CLAUSE

SEC. 901. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

##### EFFECTIVE DATE AND REPEALS

Mr. FERGUSON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. FERGUSON: On page 91, after line 3, insert a new paragraph, as follows:

"(b) That no drug, medical device, advertising literature, or offer of medical advice or treatment, printed or in writing, may be accepted by carriers in interstate commerce if such drug, medical device, advertising literature, or offer of medical services or treatment are advertised over a foreign radio station."

Mr. LEA. Mr. Chairman, I reserve a point of order against the amendment.

Mr. FERGUSON. Mr. Chairman, I live in a section that was afflicted with a radio doctor by the name of Brinkley. The State association and the State of Kansas refused him the privilege of practicing in Kansas. He was refused permission to run a radio station. So to avoid the laws of the United States he moved to Mexico. However, he maintains his hospital in the State of Texas, but advertises over a foreign radio station. He prescribes by mail. He sends out medicine to anyone who writes about their diseases to him, and he will prescribe for them over the radio and send out the medicine. He broadcasts all night long at 4-hour intervals, hoping to reach those who are in distress during the night and hold out to them the hopes of his marvelous cures. He has been able to build up a very, very, very lucrative business.

To show the type of associates he has and the type of business he is in, on the same radio station he sells life insurance, he tells fortunes, he sells perfumery, and they teach tap-dancing, everything being done by mail. He has also opened now a very luxurious hospital in Arkansas, because it seems that Del Rio, Tex., was too far away from the center of population.

This man is taking in thousands of dollars, and he operates in this way: After he urges the people to come to Dr. Brinkley before it is too late, then when he gets them down there he demands at least \$500 cash "on the barrel head" before he proceeds.

I have listened to him on numerous occasions. He will sink to any level in order to get his ideas over. Riding along one night on the occasion of the death of Dr. Mayo's son, he said that he sent sincere sympathy to Dr. and Mrs. Mayo from Dr. and Mrs. Brinkley and Sonny Boy, stating that he realized there were other good doctors and institutions in the United States, and he recognized Mayo brothers as being at least, or almost, on a par with the Brinkley institution. [Laughter.]

For 10 cents he will send you a book diagnosing all ailments, called Dr. Brinkley's Doctor Book, in which he goes into detail about how to cure these diseases. He makes a continuous and unabated attack on the entire medical profession, telling the people that if they fool with the regular doctors trouble and suffering will come to them because the only solution is to come to Brinkley's Hospital.



Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. I yield.

Mr. PHILLIPS. Will the gentleman tell us why this great physician is not advertising over an American radio system?

Mr. FERGUSON. Because he has been ruled off the airways, being recognized as a charlatan, and now we are allowing him to advertise over this foreign radio station, where he advertises services at Little Rock, Ark., and Del Rio, Tex.

I plead with the committee to accept this amendment in order that we may, in conference, accept a provision that will stop this terrible practice of robbing the people for services that cannot be of any value. If my amendment is not entirely in accord with the bill, rewrite it in conference so it will stop this practice that is taking millions of dollars from our people. [Applause.]

Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. Yes.

Mr. HOUSTON. Does the gentleman know that Dr. Brinkley received over 200,000 votes for Governor of the State of Kansas?

Mr. FERGUSON. And I would say, if I came from the State of Kansas, I would not be very proud of that fact.

Mr. HOUSTON. And in reply to that, I might add that he got 1,500 votes for Governor of Kansas from the district the gentleman represents in Oklahoma.

Mr. FERGUSON. And I am not proud of that, either.

Mr. Chairman, to show how prosperous this business has been Dr. Brinkley has not one, but two luxurious yachts, and on the occasion of naming the second yacht, only modesty, after due consideration impelled him to name it "John R. Brinkley, Second." I hope the committee will accept this amendment and not make a point of order, although I think it is in order, and work out something in conference to stop this advertising which has been recognized as bad over American stations, and stop this man from doing this business, running down the medical profession, selling drugs by advertising from a foreign radio station.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired. Does the gentleman from Oklahoma desire to be heard upon the point of order?

Mr. FERGUSON. Mr. Chairman, in section 703 provision is made for the regulation of the shipment of drugs in interstate commerce. My amendment makes it unlawful for the products of medical information, advertising over a foreign radio station to be shipped in interstate commerce. I think the amendment should be held germane.

The CHAIRMAN. The Chair is ready to rule. Section 901 provides as follows:

SEC. 901. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

To that section the gentleman from Oklahoma offers an amendment which reads:

No drug, medical device, advertising literature, or offer of medical device or treatments printed or in writing, may be accepted by carriers in interstate commerce if such drug, medical device, advertising literature, or offer of medical services or treatment are advertised over a foreign radio station.

The reading of the section and the reading of the amendment combine to make a complete argument to sustain the point of order directed to it by the chairman of the committee [Mr. LEA]. The Chair, therefore, sustains the point of order.

The Clerk read as follows:

SEC. 902. (a) This act shall take effect 12 months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1-15), shall remain in force until such effective date, and, except as otherwise provided in this subsection, is hereby repealed effective upon such

date: *Provided*, That the provisions of section 701 shall become effective on the enactment of this act, and thereafter the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this act as the Secretary shall direct, and (2) designate prior to the effective date of this act food having common or usual names and exempt such food from the requirements of clause (2) of section 403 (1) for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 401: *Provided further*, That sections 501 (e), 505, and 601 (a), and all other provisions of this act to the extent that they may relate to the enforcement of such sections, shall take effect on the date of the enactment of this act, except that in the case of a cosmetic to which the proviso of section 601 (a) relates, such cosmetic shall not, prior to the ninetieth day after such date of enactment, be deemed adulterated by reason of the failure of its label to bear the legend prescribed in such proviso: *Provided further*, That the act of March 4, 1923 (U. S. C., 1934 ed., title 21, sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor; the act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10), defining cheese and providing a standard therefor; the act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form; and the amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Supp. III, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this act.

(b) Meats and meat food products shall be exempt from the provisions of this act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71-91; 34 Stat. 1260 et seq.).

(c) Nothing contained in this act shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of the Virus, Serum, and Toxin Act of July 1, 1902 (U. S. C., 1934 ed., title 42, ch. 4).

(d) In order to carry out the provisions of this act which take effect prior to the repeal of the Food and Drugs Act of June 30, 1906, as amended, appropriations available for the enforcement of such act of June 30, 1906, are also authorized to be made available to carry out such provisions.

Amend the title so as to read: "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes."

Mr. WITHROW. Mr. Chairman, I offer the following amendments, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendments offered by Mr. WITHROW: Page 92, lines 7 and 8, strike out the language reading as follows: "The act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10), defining cheese and providing a standard therefor."

On page 92, line 23, strike out the period and insert the following: "; the Filled Cheese Act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10); the Filled Milk Act of March 4, 1923 (U. S. C., 1934 ed., title 21, ch. 3, secs. 61-63); or the Import Milk Act of February 15, 1927 (U. S. C., 1934 ed., title 21, ch. 4, secs. 141-149)."

Mr. WITHROW. Mr. Chairman, yesterday the chairman of the committee signified his willingness to accept three amendments pertaining to cheese. The one amendment was formally accepted yesterday, and these are the two other amendments.

Mr. LEA. Mr. Chairman, the gentleman is correct. I see no reason why the amendments should not be adopted.

The CHAIRMAN. The question is on agreeing to the amendments offered by the gentleman from Wisconsin.

The amendments were agreed to.

The CHAIRMAN. The question now arises on the committee substitute, as amended, to the Senate bill.

The question was taken; and the committee substitute, as amended, was adopted.

The CHAIRMAN. Under the rule the Committee will automatically rise.

Accordingly the Committee rose; and Mr. THOMPSON of Illinois, having resumed the chair as Speaker pro tempore, Mr. DRIVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (S. 5) to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes; and, under the rule, he reported the same back to the House with an amendment.

The SPEAKER pro tempore. The question is on the Committee amendment.

The Committee amendment was agreed to.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. MAPES. Mr. Speaker, I offer a motion to recommit. The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MAPES. I am with paragraph 7 of section (f) in it. The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MAPES moves to recommit the bill to the Committee on Interstate and Foreign Commerce with instructions to that committee to report the same back to the House forthwith with the following amendment: Strike out paragraph (f) of section 701, beginning on page 83, line 20, and insert the following:

"(f) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect, may obtain a review of such order in the circuit court of appeals of the United States, within any circuit where such person resides or carries on business, by filing in the court within 60 days from the date of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, and thereupon the Secretary shall certify and file in the court a transcript of the entire record in the proceeding, including all the evidence taken and the report and order of the Secretary. Upon such filing of the petition and transcript the court shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, evidence, and proceedings set forth in such transcript, a decree affirming, modifying, or setting aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearings in such manner and upon such terms and conditions as the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code."

Mr. MAPES (interrupting the reading of the motion). Mr. Speaker, with the statement that this is the amendment which I offered in the Committee of the Whole and that it is the provision of the law as applied to the Federal Trade Commission adapted to the food-and-drug bill I ask unanimous consent that the further reading of the motion be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. LEA) there were—ayes 27, noes 59.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act to prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes."

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. The Chair calls the gentleman's attention to the fact that there are some special orders heretofore entered that must be disposed of before the gentleman can be recognized.

Mr. PHILLIPS. I thank the Chair for calling it to my attention.

#### EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a letter which I have received from the Commissioner of Indian Affairs, Department of the Interior, and an opinion by the Solicitor for the Department of the Interior, and an analysis of the opinion.

The SPEAKER pro tempore. Without objection it is so ordered.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10140) entitled "An act to amend the Federal Aid Road Act, approved July 11, 1916, as amended and supplemented, and for other purposes."

#### MILITARY ESTABLISHMENT APPROPRIATION BILL, 1939—CONFERENCE REPORT

Mr. SNYDER of Pennsylvania, from the Committee on Appropriations, presented a conference report and statement on the bill (H. R. 9995) making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes, for printing under the rule.

#### WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1939—CONFERENCE REPORT

Mr. SNYDER of Pennsylvania, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 10291) making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes, for printing under the rule.

#### EXTENSION OF REMARKS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks concerning the services of the gentleman from Pennsylvania [Mr. DeMUTH].

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent that on Friday next after the completion of the legislative program for the day I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. FLETCHER. Mr. Speaker, I ask unanimous consent that on next Friday, following the special order just granted to the gentleman from West Virginia, I may be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### EXTENSION OF REMARKS

Mr. MAPES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to print therein the complete memoranda from the Department of Justice, extracts from which I read this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Under a special order of the House previously entered, the gentleman from Nebraska [Mr. BINDERUP] is recognized for 30 minutes.

#### GOVERNMENT MONETARY CONTROL

Mr. BINDERUP. Mr. Speaker, one of the things I have not had time to explain in reference to my bill for governmental monetary control is the \$1,000,000,000 a year for the rehabilitation of farms. We may not always be able to have



this amount for our rehabilitation program, yet we start with \$1,000,000,000 a year; but it may be that this amount is going to bring us above our price level and then we close down on this feature of our program accordingly.

Our price level must be maintained in all events, so we use the farm-rehabilitation program as a valve to regulate this. But we never shut off on old-age pensions; these are taken care of by the 4-percent physical growth of our Nation which I have previously explained. However we may have to close down, shut off the valve, with respect to these other things being done, although it is my opinion that we will take more than \$1,000,000,000 a year for farm rehabilitation, at least for a few years, to build up to our 1926 price level and to maintain it. However, it is not necessary to determine all this now, only this, that the price level must determine.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. I yield.

Mr. BOILEAU. The gentleman says that at the present time there are about fifteen or sixteen billion dollars of idle money. If we expand the currency and use this new money, 4 percent each year, how would you control the owners of private capital, and how would you insist upon all this money working, or would it be possible for an increased amount to be idle over the \$16,000,000,000 and thereby defeat the plan?

Mr. BINDERUP. Let me thank the gentleman from Wisconsin for this enlightening question. What is the reason this money lies idle? It is timidity. They are afraid to put the money out. The people are afraid to borrow the money, but as soon as you create stability and security in your monetary plan you will solve the difficulty. Money naturally wants to flow. The bankers do not want dormant bank deposits. They want the money out earning interest for them. Nobody can borrow because we have depleted people of their equities, we have gathered away from the people by our process of selling bonds instead of buying bonds every little bit of money and every equity from the city and the rural sections of the country. We have depleted our people of all ability to borrow, because there are no stable equities that the banks care to risk money on. For we have reduced the price of farm land from sixty-six billion to twenty-eight billion dollars. We have reduced farm income from thirteen billion to five billion. National income has been reduced from ninety-one billion to forty-four billion, employment from an index figure of 107 to 72, the all-commodity index from 154 to 65. These figures are from the high point to the low point which resulted in freezing all the equities and we are today almost back to the extreme low.

Mr. BOILEAU. The gentleman said that people hold money because they think it is a better investment than holding property, and I am inclined to agree with the gentleman. Is it the gentleman's intention to take away the incentive to hold money?

Mr. BINDERUP. Yes. When property values rise then dormant money moves out, because it then becomes more profitable to invest in commodities than to invest in money.

Mr. BOILEAU. If they feel there is going to be more money, they will not hold it.

Mr. BINDERUP. Exactly.

Mr. TRANSUE. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. Yes.

Mr. TRANSUE. In the gentleman's plan, how would he control the effect of those commodities that go to make up the price level which are affected by a world market and not by a home market?

Mr. BINDERUP. I would reestablish our home market to its fullest capacity, and especially as to agriculture; if our people had purchasing power, there would be nothing in this line to export; and as far as it pertains to manufactured articles, if they expand beyond the Nation's ability to consume, let them export their surplus as they do now, sell it for what they can get for it. Industry now exports all their last year's models and in this way cleans house, and it is a good plan. The price level, if I might so picture it, is like

a rope. In a rope, we will say, there are 784 different fibers. There is no single fiber of that rope that is straight. They go up and down and in and out, but when you stretch the rope it becomes a straight rope. So it is with the 784 commodities that go to make up our price level. There is no single commodity of which the price runs level; every commodity goes in and out and up and down; but when you take the 784 commodities in this rope, as I have pictured it, and stretch it out, you have a straight price level that does not vary.

The reason that the price level goes up and down is not because the average of the 784 commodities rises and falls, but it is because the dollar that measures them rises and falls according to its own abundance or scarcity.

Mr. CRAWFORD. Forgetting for the moment that this idle money is available, which Mr. Crowley spoke about, just erasing that from the picture, what is there in the gentleman's bill which would take care of the rise and fall of prices due entirely to the psychology of the people, where they expand or contract through fear? Has the gentleman something in his bill that takes care of that?

Mr. BINDERUP. Yes; and I will tell you how the Government monetary control bill controls that characteristic of human nature. I erase that psychology that is in people's minds, the fear, by making a stable, definite money system, controlled by the Government. The first thing that I would want to eliminate would be fear, which like a spark in the brain of man can be snuffed out by a slight little remark made by some influential money baron, or, as you noticed, by President Roosevelt if he makes the slightest remark that would indicate we were going to have more money in circulation, up go prices. Our whole monetary system, as at present, is governed by three things. First, selfish greed of the individual, and that is human, and then amplified by optimism or fear.

Consequently if we immediately have a safe plan and the people know definitely that there is not going to be any more secret meeting of the 12 Directors of the Federal Reserve Board, together with 40 other big bankers, things would be different. We do not know now when, or where, they are going to meet again, as they did in May 1920, or in August 1929, or again in May 1937 when the bankers met and contracted our money supply which caused the 784 commodities to fall, and they fell in the same proportion as the money was contracted. It would be unreasonable to believe that the price level of these commodities themselves, because of themselves, would fall. It is easy to understand that that one commodity in which you measure all values is the thing that changes value, and our bankers can change this value, by making our money scarce or plentiful, just as they please, entirely without restraint or without the slightest control by Government.

You ask, because it is so important, how would I eliminate that fear psychology?

I would eliminate it by eliminating fear, because I think the greatest handicap there is is fear of the bankers' tinkering with our money supply. So I would take away from the banks every power to control our money and bring that power back to the people's Congress, under the supervision of a monetary authority, an agent of Congress, with definite mandate as to just how it shall be done, and if they fail to maintain the 1926 price level of commodities, I would have them impeached.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. I yield.

Mr. WHITE of Idaho. In the mechanics of creating and issuing this money, it is my understanding that the gentleman would increase the volume of money by creating new money to the extent of 4 percent a year.

Mr. BINDERUP. Yes.

Mr. WHITE of Idaho. How would that get into the channels of trade and business? Would the Government use it to pay its bills and its running expenses?

Mr. BINDERUP. That is exactly the question our friend from Michigan just asked me, how we would get that money

into circulation. I want to repeat again and again, because it is new, because it is important. It would be done just as was done recently, when the Government wires credit to the Federal Reserve banks and checks on them; and when the checks come back it balances the account with authorized Government credit on one side and checks issued by Government authority on the other side. Consequently gold and silver, as money and currency, are things of the past, except to the extent of \$875,000,000 that we usually call pocket money, or change. The \$26,000,000,000, or 97 percent of the Nation's circulating medium, is bank credit. The thing necessary is to have Government monetary control and to have Government credit in the 12 Federal Reserve banks in place of the banks' credit. The day of tangible money, except as pocket money, is largely past and credit has taken its place, and it is a very splendid plan, the best the world has ever had, provided it is controlled by the Government and not by private interests.

Mr. WHITE of Idaho. I assume that when the Federal Reserve banks were extended that credit, that that was followed by the issuance of gold certificates and that the Government then checked on that credit, and that it operated the same as creating new money and putting it into circulation by paying Government bills. Does it not operate that way?

Mr. BINDERUP. Yes; it operated the same.

Once more I want to repeat these fundamental principles which must never be forgotten if we are going to solve our economic problems, our monetary system. We must understand, first, 97 percent of our money is manufactured by private bankers. The 97 percent are demand bank deposits. This represents 97 percent of all the money we have in the Nation, and these bankers can increase or decrease our money supply without any control whatsoever by our Government. Today we have \$23,000,000,000 of demand bank deposits; I have earlier in my talks said \$26,000,000,000, which was based on earlier information, but today I am advised we have only \$23,000,000,000, thus showing how uncertain our monetary system is. We do not know when the banks are taking our money supply out of circulation. We lost about \$3,000,000,000 from April 1937 to date, while at the same time our money supply should be increased every year to keep up with the growth of the Nation in increased population, business expansion, and new industries.

The people do not realize the disaster created when the banks contract our money supply. For example, suppose someone should break into our Treasury or into the hole down in Kentucky, where we have our gold buried, and steal \$3,000,000,000; why, the whole country would become frantic and the newspapers would spread it over their front pages for weeks and refer to it in almost every issue for years; Congress would be called into extra session and the whole world would become startled. And yet our monetary and banking system is so sly that this amount of money can be taken away from the people so quietly that no one seems to care, and remember that it is not so much the loss of the \$3,000,000,000 as it is the effect it has in depreciating the value of all commodities and services. That loss of \$3,000,000,000 would mean a loss of \$9,000,000,000 in national income, and that would reduce values in the United States many hundred billion dollars, throw millions out of employment and set the Nation back many years.

And all this because we are so uninformed about money and cannot understand that all money is created by law and that a simple act of Congress, allowing the people to exercise their constitutional right, would bring this and any amount of money back into circulation, as money is made by Congress—by an act of Congress; for example, in 1933 we went off the gold standard, revalued gold, and like magic in 5 minutes we created \$2,700,000,000, all perfectly good, as is all money made by law if controlled as to volume and velocity as provided in my bill.

I am often asked just how far banks can go in expanding our money supply. With the present gold supply the Government has, if released as a basis for reserves, and with our

present monetary system banks could expand credit to approximately \$300,000,000,000, or under our present program they could reduce it to a dollar, and there is no power in the hands of this Government, under present laws, to control the volume of money in circulation, nor the velocity of money. You cannot have a monetary control bill without control of volume and velocity, you cannot have a price level without these two principles included in the plan.

Naturally, of course, the bill I present to you controls. Not alone does it control the volume of money but velocity as well, both of which establishes the price level, a price level that protects the creditor—which is necessary—as well as protecting the creditor. A plan that gives to our money 100 percent velocity, moving at full speed, and without hoarding.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. Yes; I yield with pleasure to the gentleman from Michigan.

Mr. CRAWFORD. Before going on to the subject of velocity, will the gentleman make a little clearer this thought, that the State banks, not members of the Federal Reserve System, are thereby not under the control or influence, we will say, of the Federal Reserve Board?

Mr. BINDERUP. Exactly.

Mr. CRAWFORD. And they are banks of issue.

Mr. BINDERUP. Yes.

Mr. CRAWFORD. That is, they create and expand and contract credit money.

Mr. BINDERUP. Yes.

Mr. CRAWFORD. Will the gentleman make it just a little clearer wherein we do not have control, because even if all of those on the floor understand that perfectly, the gentleman's record will be read, and the people in the country do not understand it.

Mr. BINDERUP. I thank the gentleman very much for bringing that to my attention. Perhaps I could best illustrate, or rather explain, that very thing by referring to the very first paragraph of my bill on page 3, beginning with line 3, wherein it provides that all individuals, firms, and associations or corporations in the United States, or Territories or possessions thereof, receiving deposits of money or credit or any other substitute medium of exchange shall be deemed to be commercial banks and engaged in interstate commerce, and as such are subject to Federal jurisdiction and to the monetary authority provided for in the bill.

We have at present 117 banks that refuse or neglect to send in reports. They do not belong to the Federal Reserve System, which privilege is at present optional with State banks, and are not under the jurisdiction of the Federal Reserve Board. But when we have our Government monetary control all banks will be under Federal jurisdiction, pertaining only, however, to demand deposits or the instrumentality whereby the banks are now creating our money supply by making and recalling loans, that which constitutes 97 percent of our money, as formerly referred to. In this bill all banks are under supervision, to this extent only, of our monetary authority. Independent otherwise as to their method of banking, entirely free as far as this bill goes to do business as they please or as the Federal Government or their States require. Let me repeat, this bill leaves banking exactly as it is today, except that we require banks to hold their depositors' money—that is subject to check—intact 100 percent; and the bill provides the plan whereby our Government will enable each bank to comply, so there can be no bank failures and the depositors' money will be perfectly safe.

Banks are free to make a charge for services in keeping these demand-deposit accounts; that is up to the banks themselves, but of course a natural consequence as the banks are entitled to pay for their services. Now there is nothing original, or rather this bill does not in itself establish the fact that all banks are engaged in interstate commerce, but the late decision of the Supreme Court in a parallel case this summer, the Associated Press case, definitely includes banking as interstate commerce. And it is right that banking should be thus included. The Supreme Court in the Associated Press case decided that an intangible thing such



as a message crossing State lines constituted interstate commerce and consequently an intangible thing such as credit, not to mention bank checks, crossing State lines would be similarly considered by the Court.

Credit money, meaning check money based on established credit in the bank, that is what we mean by banker-created money. The plan is fine if under Government control, but disastrous when in the control of selfish interests. In fact, no nation can live under this privately controlled monetary system without completely centralizing all wealth in the hands of the banks which create this money with a fountain pen. That is the thing that usually baffles people. That is the real material thing. As an illustration of exactly what I mean, an example, I remember a few years ago I went to my bank. I wanted to borrow a thousand dollars. I am going to give you a personal illustration, because I want to bring to you the facts of how it happens, how a bank creates money. My old banker was a great gold-standard man. We used to argue about it a great deal. On the occasion referred to I, as I had often done before, secured a loan from the bank, this time a thousand dollars. I gave the banker a mortgage on 12 brindle cows and a note, and I got in return credit on the bank's books and a checkbook; no money changed hands; that is, no currency. I now went out to create this banker-credit money. He had loaned me bank credit only, and with this checkbook I soon created \$1,000 new money that would remain money until the banker called the loan.

After I had given him the mortgage on the cows I stood at the bank window for a bit and he came back and said, "Is it not all right?" I said, "Yes, I guess it is all right, but I was just trying to understand it. You talk to me so much about the gold standard, and I am wondering where the gold standard comes in. Where is the gold here? I gave you my note for \$1,000 and you gave me a check book; I gave you a mortgage on 12 brindle cows and you gave me just credit on your books and said go out and check against this credit; but what bothers me is you talk about money being no good unless it is backed by 40 percent gold and I just cannot see the 40 percent gold. This money surely cannot be gold-standard money; do you not think it is what we might call brindle-cow standard money?"

No our bankers are not required to carry 40 percent reserves in gold; that is simply poppycock. The member banks of the Federal Reserve are required to carry 10 percent more notes on deposit than loans, but not gold, they are not required to carry a cent of gold and if they had the gold in their possession they would be sent to jail for having the gold. The member banks credit with the Federal Reserve bank of their district and the Federal Reserve bank is required to carry 40 percent of the 10 percent, or about 2½-percent reserve back of commercial paper.

That is, today the banks with which we deal need, themselves, keep no cash reserves at all; they need keep only credit reserves; that is, the promises of the Federal Reserve bank to furnish cash on demand. These reserves are required by law, according to the location of the bank, to be equal to at least 7 percent, 10 percent, or 13 percent of the deposits of the public in the member banks—these percentages were raised some months ago but again lowered, so that now they are about as shown here. The law also requires the Federal Reserve banks to keep a 35-percent reserve against the member bank deposits. Only this reserve—the reserve kept by the Reserve bank—must be in cash or bearer money. "Lawful money" is the statutory expression. Thus in a small town, for example, a bank with checking deposits of \$100,000 must keep a reserve of 7 percent, or \$7,000, all of which is deposited in the Federal Reserve bank. Behind this deposit, in turn, the latter bank must keep a 35 percent reserve, or \$2,450 in actual cash. This is 2 45/100 percent cash behind \$100,000 deposits held by the public, or about 2½ percent; that is, 35 percent of 7 percent.

Mr. FLETCHER. Before the gentleman goes into the other phases, will he just explain about countries where he has traveled and investigated that are using the program that he suggests to stop unemployment? It is our informa-

tion that in all those countries there is tragic unemployment and depression.

Mr. BINDERUP. I would like to leave that part of my program until another day, but I am going to dwell a little on it and answer the gentleman's question. There are both kinds of countries in Europe. There are countries that have great prosperity and there are countries that are starving today.

Mr. FLETCHER. As a result of this program?

Mr. BINDERUP. As a result of a lack of monetary control and lack of sufficient money in circulation. There never was a picture more easy to present than to show you a comparison of these various countries, and why it is that one starves and another flourishes; why it was that France after the war had great prosperity, and everybody pointed to France and said, "Is it not strange, the land that suffered more than any other land has great prosperity, and others have poverty and misery?"

And then a few years after that, in 1934-35-36-37, England had prosperity and France had poverty; that is the thing I wanted to call to your attention. A later explanation of this is how money in circulation determines the economic condition of the country. There is no other cause for unemployment than the lack of monetary control; this determines employment and unemployment.

Mr. FLETCHER. The gentleman says this program alone will solve the unemployment problem. Does that take into consideration the fact that we have the middle age employment deadline, that refuses employment to those past 40 years of age?

Mr. BINDERUP. Yes; I will say to the gentleman this bill provides for a general prosperity for everyone regardless of age. It is a fact that no nation can be prosperous unless all the citizens enjoy prosperity and have a purchasing power. Purchasing power is created by the money supply. We all have too much of our own goods and cannot exchange for the goods of the other.

Mr. FLETCHER. And machines that throw men out of work?

Mr. BINDERUP. Yes; for the reason machines do not throw men out of work as a whole, machines create employment, as borne out by the statistics of the Labor Department here in Washington.

Mr. FLETCHER. Regardless of that, this program will solve that problem? Will the gentleman explain in detail how that is?

Mr. BINDERUP. I understand my reply will provoke much opposition, but nevertheless it is true. The statistics of the Labor Department show labor is increased by machinery no less than 8 percent in, I think it reads, 25 years. We know from our own observation that it is not machinery that causes unemployment, for we had the greatest period of unemployment in the year 1869, when we had Black Friday, when the Nation stood still and there was practically 100-percent unemployment.

When Gould and Fisk had cornered our money and President Grant saved the day by releasing all the money out of the Treasury in 1873—history records this as the "Crime of 1873"—there prevailed in the United States the greatest of unemployment, and yet we had no machinery to speak of in either of these years. We know that the greatest poverty reigns over the world where there is the least machinery. No, let me repeat, there never was a period of unemployment that was not directly preceded by a period of money scarcity and there never was a period of money scarcity that was not immediately followed by a period of unemployment. There is no other cause, believe me.

Mr. VOORHIS. Mr. Speaker, will the gentleman yield for a question?

Mr. BINDERUP. I yield to my friend, Mr. VOORHIS, the gentleman from California.

Mr. VOORHIS. I understood the gentleman from Ohio to have in mind that the gentleman's plan had been put into effect in certain European countries. That is not the case, is it?

Mr. BINDERUP. No; that is not the case.

Mr. FLETCHER. That was the implication from what the gentleman said.

Mr. VOORHIS. No; I think not.

Mr. BINDERUP. I beg the pardon of the gentleman from Ohio [Mr. FLETCHER], that was not the impression I wished to give.

Mr. VOORHIS. And if the gentleman will yield further?

Mr. BINDERUP. I yield.

Mr. VOORHIS. I would like to ask the gentleman a question in connection with what the gentleman from Michigan [Mr. CRAWFORD] asked. Is it not true we can illustrate the impossibility of controlling the flow of money and credit under present circumstances by comparing what happens when the Government buys bonds with what happens when it sells bonds?

Mr. BINDERUP. Exactly.

Mr. VOORHIS. If the Government sells bonds or de-sterilizes gold, as it recently did, the Government gets dollar for dollar from the bank on the time deposits of the bank or the total amount of gold, credit for which was de-sterilized.

Mr. BINDERUP. Yes; the gentleman from California is correct.

Mr. VOORHIS. After that has been done those credits which constitute reserves in the bank may be expanded as much as 6 to 1 or may not be expanded at all.

Mr. BINDERUP. Yes; or 10 to 1.

Mr. VOORHIS. Or may not be expanded at all, depending on the willingness to lend on the part of the bank and willingness to borrow on the part of the people. So that control of expansion is not in the hands of the Government.

Mr. BINDERUP. Absolutely not. And control is not in the hands of the bankers either exactly, because each bank is acting independently of the other and one bank can pull down the rest and start a panic at any time.

Mr. HILL. Will the gentleman yield?

Mr. BINDERUP. I yield to Mr. HILL, the gentleman from Washington.

Mr. HILL. How much did the gentleman say that private banks had in reserves back of the money that was issued?

Mr. BINDERUP. I said banks had from 10 percent to 14 percent, according to the class of bank but that this credit is not in gold but in commercial paper or Government bonds. I said that we had demand bank deposits today of \$23,000,000,000. We did have, about 8 months ago, \$26,000,000,000, but in the 1937 recession the banks decreased the money by \$3,000,000,000. Mr. Eccles said we had done it after a plan, that we intended to do it, we had done it intentionally or premeditatedly, because the Federal Reserve Board feared a period of uncontrollable inflation. And I say, as the record of Uncle Sam shows, there never was a depression, or a recession, or as we used to call it, a money panic, in the United States; there never was a period of unemployment in the United States that was not caused by the banks, because they have complete control. The rest of us are absolutely at the mercy of the banks; and most especially may I add that the most drastic depressions we have had have been the last three—1920, 1929, and now, 1937—the one that is still raging, still going on.

These 3 depressions were caused completely and absolutely by the Federal Reserve Board acting in connection with the 12 Federal Reserve banks, and I have a right to say it because I have the records of 1920, 1929, and 1937, which show for themselves; and neither the Federal Reserve banks nor the Board will deny it. Perhaps I am one of the few in Washington who have the minutes of the meeting of the bankers, the 52 bankers, in 1920; and before I get through I am going to incorporate in my talks the names of these bankers who were present at that time and what these bankers said, and the resolution that was passed that caused the disastrous panic, the worst one we had, that of 1920. I am going to show you men exactly what happened at that meeting and how it was that we had the panic of 1929, and how it was that in the cooperation of Mr. Eccles, his Federal Reserve Board, and the Federal Reserve banks that we had the recession of 1937.

Mr. Eccles made a statement, and it is published in Fortune Magazine. I have a lot of respect for Mr. Eccles. I do not have anything against the bankers, I pity them. I have nothing against the members of the Board of Governors of the Federal Reserve System. We gave them a big job to do, but we did not give them the tools with which to do it.

That answers my good friend from Michigan [Mr. CRAWFORD] when he asked me whether it was not as Mr. Goldenweiser had said, because they lacked the authority to go on, which is absolutely true.

The SPEAKER. The time of the gentleman from Nebraska has expired.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LUECKE of Michigan, for Wednesday, Thursday, and Friday, on account of official business.

#### DEATH OF MRS. JOHN J. COCHRAN

Mr. CANNON of Missouri. Mr. Speaker, I rise to announce with deep regret the untimely death of Mrs. Cochran, the wife of Representative COCHRAN, of Missouri, one of the best beloved women of the Missouri delegation and the House. I ask for my colleague, Mr. COCHRAN, indefinite leave of absence.

#### GREAT LAKES-ST. LAWRENCE SEAWAY

Mr. BEITER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker, the Great Lakes-St. Lawrence seaway again claims attention, for Secretary of State Hull last night offered to the Government of Canada the draft of a proposed treaty which encompasses the provisions of a deep waterway from the Great Lakes to the ocean and the production of great amounts of electric power.

The assertion that opposition to the project is that of selfish interests suggests that some facts relative to the situation may not be amiss.

Persons of responsibility have declared the proposed seaway economically unjustified; they have asserted that it would impose on the States of New York, Pennsylvania, and Massachusetts burdensome expenses of construction; officials of water transportation have repeated that they would adhere to their earlier declarations that they would not use the completed seaway; evidence shows that more than half of the power consumed in cities adjacent to Niagara Falls is produced from coal mined 200 miles away, and yet they have an average rate, excluding taxes, of 1.18 cents a kilowatt-hour.

The St. Lawrence advocates have left no stone unturned to push the treaty since its defeat in the Senate, March 14, 1934, and have brought western propagandists to Washington and to the St. Lawrence territory, circulating glib stories and giving out glowing interviews.

It is an attempt to gloss over the real facts with glittering generalities of mythical benefits to be derived from this visionary dream.

All these arguments against the seaway may be waived and there remains one indubitable fact that should condemn the project at this time—it is not a necessity; and it will be difficult to explain an unnecessary expenditure of \$540,000,000 for this development to the American taxpayers.

Construction of the seaway is desired by three groups—some politicians who would benefit by the patronage it would give them; the Power Authority of the State of New York, headed by Frank P. Walsh, who is on the New York State payroll at a salary of \$75 a day and expenses, but who gives practically 100 percent of his time to lobbying activities in the Northwest advocating the St. Lawrence development, persistently misrepresenting New York State and the wishes of its people; and a portion of the Middle West that has not awakened from a dream of expected savings to the grain trade by the seaway, which cannot materialize because of rapidly diminishing exports.



In February 1935, and again very recently, Premier Mitchell F. Hepburn, of Ontario, said:

We do not need another avenue of transportation. We have an acute railroad problem. Here in Canada we are paying \$1,000,000 a week to make up the deficit of the Canadian National Railway. In the second place, we do not need any more power, production of which is given as one of the chief reasons for the projects. In other words, to build the seaway would be an unnecessary waste of money, which we cannot afford. The Hudson Bay Railroad was built on propaganda and it was a failure. Ontario will not approve of any such scheme for the St. Lawrence.

The Canadian railroad situation is no more acute than that facing our own rails. The seaway would not merely add to their troubles; it would mean ruination for what was once one of America's thriving industries.

Mr. Speaker, in Mr. Hepburn's statement there is no suggestion that the Canadian Government will yield in this matter, that they will withdraw objections previously declared to the St. Lawrence Treaty.

If the seaway is built, its cost will be paid by men and women who can least afford to pay for it. Those who seek to put the seaway project through, and not those who oppose the scheme, may be accused of selfishness in striving to lay on the backs of an already overtaxed people a still heavier load so that there may be created more material for construction and repair of political fences.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. MEAD. Mr. Speaker, the passage today of the so-called food and drug bill (S. 5) completes a reform of the food and drug legislation which was recommended to the Congress several years ago.

While every Member favors the proper protection of the health and well-being of our people, there were Members, including myself, who were critical of the manner in which this measure was originally presented to the committee.

It is true that more effective provisions against abuses of consumer welfare were necessary, because of the deficiencies in the Food and Drug Act of June 30, 1906, as amended. The original act, as well as the amendments adopted from time to time, was highly beneficial, as experience proves. The manufacture and distribution of cosmetics, therapeutic devices, and certain drugs not now within the provisions of the old law present compelling reasons for the necessity of this new proposal.

I agree thoroughly with the objectives of this legislation. The adulteration and misbranding of cosmetics should be prohibited. Therapeutic devices should be brought under proper control. Drugs advanced as remedies for underweight or overweight, or which otherwise affect the structure or function of the body, should be subject to reasonable authority. The testing of new drugs, for the protection of the public, before they are placed on the market is a proper prerogative of government. Requiring sanitation in the production of foods, drugs, and cosmetics is a reasonable demand. The regulation of foods and certain combinations of foods in the interest of safeguarding the public health comes naturally within the provisions of a bill of this character. The labeling of drugs, setting forth their contents, warning against their improper use, and other similar and helpful information, is a wholesome requirement included in this legislation.

I favor and have always favored the enactment of this legislation. I voted for it on several occasions. My only regret is that the provisions contained in this bill were not passed years ago and as quickly as the need for Federal authority became apparent.

In the future I trust the Department will keep the committee advised and informed from time to time of the need of added amendments, so that it will not be necessary to take up an omnibus bill covering the full width and scope of the entire subject.

Ever since the enactment of the original legislation sponsored by Dr. Wiley, the work of the personnel of the food and drug section of the Department of Agriculture has been praiseworthy, and their contribution to the well-being of our people is deserving of our highest commendation.

Our committee, together with its chairman, the distinguished gentleman from California [Mr. LEA], likewise merit the felicitations of the membership of the House for their contribution in the safeguarding and the protecting of the public health. In the enactment of this legislation they have given consideration to the proper functions of the Federal agencies involved, as they have also given consideration to the professions and industries affected, and, above all, to the public weal.

#### WHAT FARMERS WANT TO KNOW

Mr. FLETCHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FLETCHER. Mr. Speaker, I have received a number of inquiries from the farmers of my State and from some of the other States who seem to be confused in regard to the application of the Agricultural Adjustment Act. I have taken questions from these letters and in this speech I shall answer them as follows:

#### FACTS FOR FARMERS WHO WANT THE TRUTH

First question. Is the farm program of the Agricultural Adjustment Administration a program of scarcity?

The answer: No; the farm program of the Agricultural Adjustment Administration offers a program not of scarcity but of greater abundance for the United States than has existed in the past without the program.

In the past when large surpluses of corn and other feed grains piled up, the farmers had no way to hold them over for a poor crop year when they would be needed.

The corn surpluses drove corn prices down. Then farmers fed as much corn to livestock as they had livestock to hold it. That created larger supplies of livestock, and farmers got ruinous prices for their hogs and cattle.

Then a year of poor growing weather inevitably came along. The surpluses had been largely used up by feeding more livestock than the market would take at a fair price.

Farmers did not have enough corn in reserve from the surplus years to hold their livestock, and then they were forced to sell them at a sacrifice.

They had to sell their feeders at light weights and dispose of their valuable breeding stock because they did not have enough feed for them.

The result was a year or 2 years of short meat supplies and high meat prices until finally good crop-growing weather came again, and farmers could again build up their feed supplies and livestock herds.

The new Farm Act can be expected to increase these reserves against short feed supplies. The corn allotments provide for about twice as large reserves as carry-overs in the past. This means greater protection against short livestock and meat supplies.

The more stable farm prices under the new farm program should also decrease the incentive for farmers to expand feeding operations rapidly for a year or two and then drop out entirely. That is what ruins the real, dependable livestock feeders.

#### WHAT ABOUT PROTECTION FOR CONSUMERS?

Second question: Is there any protection for consumers in the farm program?

The answer: Yes; the 1938 Farm Act has very definite provisions to protect the consuming public.

Acreage allotments must provide for all domestic needs, probable exports, and in addition larger reserves than we have had in the past.

Any voluntary control over acreage is definitely limited to any surplus above these three requirements which might destroy the farmers' purchasing power.

No other industry begins to approach the degree of consumer protection which we have stated in the Farm Act.

Most industries curtail production whenever prices start to decline. They usually display very little interest either in the needs of the consumer for goods or their own employees for work.

The Farm Act furnishes insurance of adequate domestic supplies. Only in preventing unwarranted and unmanageable surpluses is there any limitation on supplies to maintain decent prices. This is as it should be.

All fair-minded farmers realize that their farm program can be justified only as it definitely contributes to the prosperity of the Nation.

The most short-sighted thing in the world would be to attempt to raise prices by curtailing production to the extent that there would not be an adequate supply of food. The Farm Act does just the opposite. It provides real insurance of adequate supplies.

WHAT IS THIS REGIMENTING THE POLITICIANS ARE YELLING ABOUT?

Third question: Is the farmer regimented by the farm program?

The answer: No; there is nothing compulsory about this program, and there is no regimentation. Its success depends largely on the mutual good will and confidence of the farmers in their own elected township and county committeemen.

Congress has provided the mechanism and the money by which farmers themselves, by cooperating together with the assistance of the Federal Government, can work out their own economic problems.

The administration and the leadership of this program is in the hands of the farmers themselves.

This program is built from the ground up and affords opportunity for farmers to make their wishes known through their own locally elected committeemen.

It is not an attempt to superimpose a program from the top down based on any arbitrary rules or regulations.

All sections of the country depend on the maintenance of the farmers' purchasing power.

This purchasing power is maintained when the farmer has something to sell and receives a decent price for his production. Corn, wheat, and cotton loans are a partial insurance of a decent price. Crop insurance assures the farmer of something to sell.

The initial effect of the voluntary adjustment program is to prevent the creation of unneeded price-depressing surpluses. In the long run it helps to prevent the operation of forces which might create a real food shortage in this country.

Neither Congress nor the Department of Agriculture is forcing anything on the farmer. On the other hand, they are offering him the greatest opportunity he has ever had for economic self-government.

The success of the farm program will depend upon the extent to which farmers recognize these opportunities and accept the responsibilities for their own economic needs.

The issue is clear-cut. The farmers can do their own thinking and work out their own program. Or they can let someone else do it for them and suffer the coercion brought about by low prices.

The present farm program is entirely voluntary, and farmers can keep it voluntary.

SHOULD THE FARMER PRODUCE MORE THAN HE CAN SELL?

Fourth question. Why could not consumption in this country be increased enough to use everything farmers could produce?

The answer. Farmers are a large scattered group that in the past has been unable to do anything but keep on producing to the limit, regardless of demand or price.

Industry, on the other hand, has been concentrated and organized. It has been able to deal effectively both with the volume of output and prices.

Would the people who are in favor of unlimited production by farmers advocate compulsory production for industry?

Would they force industry to manufacture hundreds of thousands of automobiles every year that could not be sold at any price?

Would they insist that industry fill hundreds of city blocks with new automobiles and hundreds of acres of land with new farm machinery that no one could buy for lack of money?

Some people will have to be taken care of by relief agencies until they can be gainfully employed by industry. They could not purchase the kind and amount of food recommended for a high standard of living if farm prices were cut 75 percent. Such a cut would, of course, wipe out farm buying power and bankrupt the farmer.

Agriculture must have prices comparable with the prices and wages of industry. Then and then only can agriculture and industry move together toward greater stability and higher standards of living in this country.

WHAT ABOUT MARKETING QUOTAS ON CORN?

Fifth question: How often in the past would we have had marketing quotas on corn under the present Farm Act?

The answer: First, no referendum on corn-storage quotas can ever be held unless the supply of corn is so large that low corn prices are threatened. Then quotas cannot go into effect without a 2 to 1 favorable vote by the farmers affected.

This year the marketing quota level is over 2,800,000,000 bushels. In previous years it would have been a larger figure because livestock numbers were much greater.

Since 1909 there have been only 4 years when a referendum on marketing quotas could have been held under the provisions in the Farm Act. Those years are 1910, 1920, 1921, and 1932.

In 1910 the average price received by farmers for their corn was 51.6 cents.

In 1920 the price dropped from \$1.51 to 61.8 cents, and in 1921 it fell further to 52.3 cents.

In 1932 the average price was 31.9 cents.

Thousands of bushels of corn were sold in 1932 for 7 to 8 cents a bushel, and hundreds of farmers in the Corn Belt could not sell their corn at any price. Corn was used for fuel because it was cheaper than coal.

Thus, it can be seen readily that marketing quotas on corn are purely an emergency measure. They are designed for use only when a serious need for them exists.

In these emergency surplus years it would be bad business for the Government to make any price-supporting loans on corn. The use of marketing quotas would make it possible for the Government to put a bottom under corn prices with substantial corn loans.

HOW WILL EXCESS CORN CROP IN CERTAIN AREAS BE HANDLED?

Sixth question. If a county not in the commercial corn-producing area in 1938 greatly increases its corn production, what will be done about it?

The answer. The Farm Act provides for a new survey every year to determine what counties will be commercial corn-producing counties.

If any county anywhere in the United States has a 10-year average production of 450 bushels of corn per farm and 4 bushels of corn per acre of farm land, it will be included in the commercial corn area. Then the farms in the county would have corn-acreage allotments.

They would also be subject to corn-storage quotas if the supply reached more than 10 percent above normal and farmers voted to store part of their corn under marketing quotas.

Other counties bordering upon these counties are included in the commercial corn-producing area if any townships produce 450 bushels per farm and 4 bushels per acre of farm land.

In this manner the Farm Act provides for adjustments every year in line with corn-production trends throughout the country. The commercial corn area cannot be frozen to cover certain counties if other areas increase production.



## CAN EVERYBODY VOTE?

Seventh question. Who is eligible to vote in the referendum on corn-marketing quotas?

The answer. If the marketing-quota level is reached, then every farmer in the commercial corn area who would be subject to marketing quotas would be eligible to vote.

Small farmers normally producing less than 300 bushels of corn on the acreage planted in the year of the referendum would not be subject to the quotas, and therefore would not have a vote.

Farmers would be eligible to vote regardless of whether they voluntarily stayed within their corn allotments or exceeded them and regardless of whether they received any conservation payments.

## IS PARTICIPATION ENTIRELY VOLUNTARY?

Eighth question. How often in the future can we expect to have corn-marketing quotas?

The answer. In the first place, marketing quotas on corn can never go into effect unless voted by a 2-to-1 majority of the farmers who cast ballots in the referendum.

Second, no referendum can ever be held unless the supply of corn exceeds the high marketing quota level, which this year is more than 2,800,000,000 bushels.

Under the Farm Act the corn-acreage allotments aim to avoid the emergency that would bring about a need for marketing quotas.

Participation in the acreage allotments is entirely voluntary. Thus, there are only two ways that corn supplies can reach the marketing-quota level: First, if too many farmers plant a good deal more corn than their acreage allotments provide for; second, if crop-growing conditions are exceptionally good and yields exceptionally high in a large part of the country.

With 75 or 80 percent of the farmers coming into the voluntary-acreage program, the corn-marketing-quota level would not be reached oftener than once every 5 or 10 years on the average.

## WHAT IF A FARMER DOES NOT WANT TO COOPERATE?

Ninth question: Who would be subject to corn-marketing quotas?

The answer: First, no marketing quotas can be put into effect unless the supply of corn exceeds a high-surplus level—this year over 2,800,000,000 bushels. Then, they cannot be put into effect unless two-thirds of the farmers voting in the referendum favor the use of marketing quotas.

Marketing quotas would apply in exactly the same manner in all counties in the commercial corn area. They would not apply outside the area.

No marketing quota would apply to any farm on which the normal production on the acreage planted in that particular year was less than 300 bushels of corn.

If a storage amount of less than 100 bushels was calculated for the farm, the producer would not have to store any corn.

If a farmer planted less than his corn-acreage allotment—not more than the marketing percentage of his allotment—he would have no storage amount in a marketing-quota year.

All other farmers in the commercial corn-producing area would either have to put a small percentage of their corn in storage for a year or pay a penalty of 15 cents per bushel upon that amount.

It makes no difference whether a farmer takes part voluntarily in the conservation program, or exceeds his acreage allotments, or receives any A. A. A. payments. He will be eligible to vote if his production would bring him under marketing quotas and if he lives in a commercial county. He will have a vote regardless of any nonparticipation in the voluntary A. A. A. programs.

## HOW ABOUT IMPORTS?

Tenth question: Is it true that we cut down on production of farm products and then import products from abroad?

The answer: The amount of imports of farm products into this country is small. Exports of farm products have been large since last summer, much to the benefit of our farmers.

The farm program cannot, under the 1938 Farm Act, cut acreage of farm crops below the amounts needed for domestic consumption, for exports, and for large ever-normal granary reserves.

Bad weather conditions, however, cannot be prevented. In 1934 and 1936 the two worst droughts in history hit in rapid succession.

The farm programs increased the amounts of reserve supplies and emergency crops for livestock feeds, but still there was not enough.

Feed supplies were short and prices rapidly rose far above the prices in other countries. Then feed grains grown in other countries were sold in the United States after paying the full tariff.

Farmers in this country were receiving high prices for their grains. Dairy, livestock, and poultry farmers needed more feeds than drought weather had produced. These farmers needed imports even though the imports were only a small percentage of the domestic production.

The new farm act will minimize the need for imports, even in the most severe drought year. It will do this through the ever-normal granary.

The acreage allotments will encourage farmers to produce crops large enough to double the reserve supplies of wheat and corn.

The crop loans will help them store these reserves on their own farms for use in any year that crop-growing conditions are poor. In this way the new farm act can be expected to decrease the imports of farm products into this country and diminish the need of dairy, livestock, and poultry farmers for any imports.

Eleventh question: How large are the imports of farm products into this country?

The answer: The imports of farm products into the United States are negligible. Much larger quantities of farm products are being sold by American farmers to foreign countries.

From November 1, 1937, to April 30, 1938, only 529,000 bushels of corn were imported into this country, while 64,844,000 bushels were exported during the same period; more than a 64,000,000 gain for our farmers.

From July 1, 1937, to April 30, 1938, only 696,000 bushels of wheat were imported into this country, while 76,159,000 bushels were exported during the same period, a gain of more than 75,000,000 for our farmers.

## WHAT ABOUT TARIFFS?

Twelfth question: Does the Government reduce the tariffs on farm products at the same time it is trying to raise the prices for them?

The answer: Of 23 farm commodities cited by opponents of the tariff and farm policies of the Government, the tariff has been reduced on only 3. These reductions have been restricted so completely that they have in no way reduced the incomes of farmers in this country.

In every respect practically all farm products imported into the United States must pay exactly the same tariff rates as they did before the New Deal.

The farm program aims to establish an effective balance between the prices of industry and the prices of agriculture. It aims to build up reserves for use in this country and thereby reduce the need for any imports.

Besides that, it is designed to encourage production of all supplies of farm products that can be exported at a decent price.

The reciprocal-trade-agreements program is doing the other half of the job by opening up larger foreign markets for our farm products.

The two work hand in hand to bring better farm incomes by increasing exports of farm products on a permanent basis.

## WHAT BETTER PLAN DO YOU SUGGEST?

Thirteenth question: Why do not the politicians and knockers who are criticizing this program to help the farmers make more money offer something better or else stop knocking and give the farmers a chance to make money under this plan?

The answer: Well it just seems to be natural for some people to criticize and block the efforts of those who are trying

to do everything possible to help the farmer make more money, but when you ask these critics for their plan, they usually run to cover or admit they have no plan to offer. Most of the critics do not even go to the trouble to investigate and get the true facts about the program they are criticizing. They just take somebody's word for it, listen to the political gossips and the wild rumors that are being spread about by the propagandist, and, of course, fail to get the facts.

In any event the present plan can be changed or discarded altogether if the farmers do not want it and most vital of all is the fact that it is entirely a voluntary program and not compulsory as it has been misrepresented to be.

Every informed and fair-minded person will admit that cooperation and working together will help to bring greater prosperity for the farmer everywhere throughout the Nation. And if your question is not answered here, write to me, state your question, and I shall do my very best to give you an answer to your question in accordance with the facts as I understand them.

#### ENDORSED BY REPUBLICANS FROM WHEAT SECTION AND CORN BELT

Farmers who raise wheat will be interested in knowing that the gentleman from Kansas [Mr. HOPE], who represents one of the greatest wheat sections of the Nation, has been a leader in behalf of this legislation to help the farmers.

The gentleman from Kansas [Mr. HOPE] is one of the most highly esteemed Republican Members of the House. Because of his wide experience in agricultural legislation as a member of the Agriculture Committee of the House, his opinion is highly regarded by every Member of Congress.

Wheat farmers well know that when Republican Members of Congress like Mr. HOPE approve of the legislation we are discussing here, then they may well feel assured that it was enacted for the purpose of bringing greater prosperity to the farmers and is not the kind of legislation some of the critics are trying so hard to make you believe it is.

#### WHAT LEADING REPUBLICAN FROM CORN BELT SAYS

One of the most eloquent and convincing speeches made at this session of Congress in behalf of this Farm Act was delivered by the gentleman from Iowa [Mr. GILCHRIST], Republican member of the House Committee on Agriculture.

Mr. GILCHRIST represents the greatest corn-growing section of this or any other country in the world. Because of his ability and sincerity as one of the best-informed spokesmen for agriculture in either branch of Congress, Mr. GILCHRIST is respected by both Democrats and Republicans alike. The farmers of the country are fortunate in having as their representative on the House Committee on Agriculture a man from the heart of the Corn Belt, who possesses the ability and courage to speak as Mr. GILCHRIST did in his address to the House May 20. Speaking as a Republican member of the Agriculture Committee and as the Representative of the greatest corn-growing section of the Nation, Mr. GILCHRIST said:

Many idle things have been said about this Farm Act. In his speech the other day the gentleman from Minnesota [Mr. ANDRESEN], spoke about compulsion. He repeated that at least 50 times and 7 or 8 times on every page. In making such statements he was lacking in candor. I would not say that he was guilty of false representation, but I do say that there has been more misrepresentation and more false statements made in public about this Farm Act than any act that I ever knew about.

Now, the fact is that you can raise all the corn you want to raise under this act. Nobody can object to it and nobody is trying to.

If you own a quarter section of land you have the right under this act to produce and raise 160 acres of corn and nobody can stop you or put one penny of penalty for doing it.

What is all this talk about crop-production control? There is none.

Then Mr. GILCHRIST, the distinguished Republican Member from Iowa, challenged the gentleman from Minnesota [Mr. ANDRESEN], by saying:

I will give the gentleman any amount of money if he will answer the question without equivocation and point out the section or the paragraph of the act that says that a farmer cannot raise all the corn he wants to.

The above statements are direct quotations from the able speech made by the distinguished Republican Congressman

from Iowa, Mr. GILCHRIST, member of the House Agriculture Committee. You will find his convincing speech on page 7205 May 20 issue of the CONGRESSIONAL RECORD. Every farmer who wants to know the truth should read Mr. GILCHRIST's speech.

#### DO NOT LET THEM FOOL YOU, MR. FARMER—INSIST ON THE FACTS

Watch out for the troublemakers, paid propagandists, self-seeking politicians who are out to wreck the farm program by throwing stink bombs of misrepresentation and confusion.

Ask the critics, troublemakers, knockers, and the politicians with an ax to grind if they have any better plan and make them tell you what it is. They will try to evade you and side-step when you ask them that question, because they have not any plan. What they are after is your vote, Mr. Farmer. Do not let them fool you.

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RICH. I may say to my colleague that I can justify any vote of mine to exceed the Budget of the President of the United States. I would remind you further that the Budget officer of the United States has jumped up his Budget time after time many, many times. When I voted to exceed the Budget it was for rural electrification and was requested by the department for some particular purpose, it was to earmark the money so that the Members of Congress may say how the money is going to be spent, for I do not want it all to be in the hands of the President of the United States. I tell you right here and now I will never be one to put all my confidence in him because my confidence has been so shaken I cannot. I have one of the best records in Congress in voting to save the taxpayers' money from being frittered away in worthless, nonsensical projects. I want sound expenditure of Government funds.

[Here the gavel fell.]

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3843. An act to remove certain inequitable requirements for eligibility for detail as a member of the General Staff Corps.

#### JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, joint resolutions of the House of the following titles:

H. J. Res. 687. Joint resolution to amend title VI of the District of Columbia Revenue Act of 1937; and

H. J. Res. 693. Joint resolution making an appropriation to aid in defraying expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg.

#### ADJOURNMENT

Mr. HOUSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Thursday, June 2, 1938, at 12 o'clock noon.

#### COMMITTEE HEARINGS

##### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, June 2, 1938. Business to be considered: Hearings on H. R. 10127, railroad unemployment insurance; hearings on H. R. 10620, entitled "To remove existing reductions in compensation for transportation of Government property and troops incident to railroad land grants."

There will be a meeting of a subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Saturday, June 4, 1938. Business to be considered: Continuation of hearing on H. R. 4358, train dispatchers.



There will be a subcommittee meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, June 6, 1938. Business to be considered: Continuation of hearing on H. R. 10348, foreign radio-telegraph communication.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1410. A letter from the Archivist of the United States, transmitting lists of papers, consisting of 1,177 items, among the archives and records of the Department of the Treasury which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1411. A letter from the Archivist of the United States, transmitting a list of papers among the archives and records of the Department of Agriculture which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1412. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 91 items, from the Department of Labor, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1413. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 54 items, among the archives and records of the Veterans' Administration, which the Administrator has recommended be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1414. A letter from the Archivist of the United States, transmitting a list of papers consisting of five items, heretofore transferred to The National Archives by Executive Order No. 6060 which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1415. A letter from the Chairman, Jefferson Memorial Commission, transmitting a report and recommendations upon location, plan, and design for a memorial in the city of Washington, D. C., in accordance with the act of Congress, creating the Commission, approved June 26, 1934 (H. Doc. No. 699); to the Committee on the Library and ordered to be printed, with illustrations.

1416. A letter from the Chief Clerk of the Court of Claims of the United States, Washington, D. C., transmitting certified copies of the special findings of the court of February 3, additional findings of fact on accounting, decided June 7, 1937, and a motion for a new trial, decided May 31, 1938, in the case of *Lester P. Barlow v. The United States*, No. H-272, which case was referred to this court by a special act of Congress; to the Committee on War Claims.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 514. Resolution providing for the consideration of H. R. 10663, a bill to amend the United States Housing Act of 1937; with amendment (Rept. No. 2525). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 291. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives and for other purposes; with amendment (Rept. No. 2526). Referred to the House Calendar.

Mr. TOWEY: Committee on the Judiciary. House Joint Resolution 699. Joint resolution to amend sections 101, 102, 103, and 104 of the Revised Statutes of the United States relating to congressional investigations; without amendment (Rept. No. 2533). Referred to the House Calendar.

Mr. O'BRIEN of Michigan: Committee on the Judiciary. S. 3417. An act for the relief of the State of Wyoming;

without amendment (Rept. No. 2534). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 703. Joint resolution to authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street, NW., in the District of Columbia, and for other purposes; without amendment (Rept. No. 2560). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 10326. A bill to authorize and direct the Commissioners of the District of Columbia to set aside the trial-board conviction of Policemen David R. Thompson and Ralph S. Warner and their resultant dismissal, and to reinstate David R. Thompson and Ralph S. Warner to their former positions as members of the Metropolitan Police Department; without amendment (Rept. No. 2527). Referred to the Committee of the Whole House.

Mr. WOOD: Committee on War Claims. S. 931. An act for the relief of the widow of the late William J. Cocke; without amendment (Rept. No. 2528). Referred to the Committee of the Whole House.

Mr. BETTER: Committee on War Claims. S. 3005. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of the A. C. Messler Co.; without amendment (Rept. No. 2529). Referred to the Committee of the Whole House.

Mr. O'MALLEY: Committee on War Claims. H. R. 3961. A bill for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor); without amendment (Rept. No. 2530). Referred to the Committee of the Whole House.

Mr. BETTER: Committee on War Claims. H. R. 8753. A bill for the relief of the Choctaw Cotton Oil Co., of Ada, Okla.; without amendment (Rept. No. 2531). Referred to the Committee of the Whole House.

Mr. O'MALLEY: Committee on War Claims. H. R. 7293. A bill for the relief of the estate of John B. Brack; with amendment (Rept. No. 2532). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 342. A bill for the relief of Ward Bell; with amendment (Rept. No. 2537). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 347. A bill for the relief of W. Glenn Larmonth; with amendment (Rept. No. 2538). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 7818. A bill for the relief of Luke A. Westenberger; with amendment (Rept. No. 2539). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. H. R. 7966. A bill for the relief of Capt. James L. Alverson; with amendment (Rept. No. 2540). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 8098. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Edward Forbes, and others, as set out therein; with amendment (Rept. No. 2541). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. H. R. 8401. A bill for the relief of Stanley Mercuri; with amendment (Rept. No. 2542). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 213. An act for the relief of Ida A. Gunderson; with amendment (Rept. No. 2543). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 375. An act for the relief of Mrs. John Olson; with amendment (Rept. No. 2544). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2052. An act for the relief of Henry E. Reents; with amendment (Rept. 2545). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2072. An act for the relief of Stuart C. Peterson; with amendment (Rept. No. 2546). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2437. An act for the relief of Oscar Jones; with amendment (Rept. No. 2547). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2994. An act for the relief of Mrs. Morgan R. Butler; with amendment (Rept. No. 2548). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3031. An act for the relief of the Lima Locomotive Works, Inc.; with amendment (Rept. No. 2549). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10083. A bill for the relief of Salvatore Spagnuolo; without amendment (Rept. No. 2550). Referred to the Committee of the Whole House.

Mr. SIMPSON: Committee on Immigration and Naturalization. H. R. 10627. A bill for the relief of Mike Kotis; without amendment (Rept. 2551). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. Senate Joint Resolution 114. Joint resolution for the relief of certain persons who suffered damages occasioned by the establishment and operation of the Aberdeen Proving Ground; with amendment (Rept. No. 2552). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10806. A bill for the relief of sundry aliens; without amendment (Rept. No. 2553). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10807. A bill for the relief of sundry aliens; without amendment (Rept. No. 2554). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10808. A bill for the relief of sundry aliens; without amendment (Rept. No. 2555). Referred to the Committee of the Whole House.

Mr. SIMPSON: Committee on Immigration and Naturalization. H. R. 10809. A bill for the relief of sundry aliens; without amendment (Rept. No. 2556). Referred to the Committee of the Whole House.

Mr. SIMPSON: Committee on Immigration and Naturalization. H. R. 10810. A bill for the relief of sundry aliens; without amendment (Rept. No. 2557). Referred to the Committee of the Whole House.

Mr. SIMPSON: Committee on Immigration and Naturalization. H. R. 10811. A bill for the relief of sundry aliens; without amendment (Rept. No. 2558). Referred to the Committee of the Whole House.

Mr. ROCKEFELLER: Committee on Immigration and Naturalization. H. R. 10812. A bill for the relief of sundry aliens; without amendment (Rept. No. 2559). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration of the bill (H. R. 10182) granting a pension to D. F. MacMartin, and the same was referred to the Committee on Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAY (by request): A bill (H. R. 10798) to extend the benefits of the United States Employees' Compensation Act to members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army, who are physically injured in line of duty while performing active duty or engaged in authorized training, and for other purposes; to the Committee on Military Affairs.

By Mr. PHILLIPS: A bill (H. R. 10799) making appropriations for a planetarium as a memorial to Thomas Jefferson; to the Committee on Appropriations.

Also, a bill (H. R. 10800) to authorize the erection and maintenance of a planetarium as a memorial to Thomas Jefferson; to the Committee on Naval Affairs.

By Mr. LEWIS of Colorado: Resolution (H. Res. 515) authorizing an appropriation of not to exceed \$20,000 for the expenses of the select committee appointed under House Resolution 291; to the Committee on Accounts.

By Mr. PHILLIPS: Resolution (H. Res. 516) to investigate all leases and purchases of naval petroleum reserves No. 1 and No. 2, Kern County, Calif.; to the Committee on Rules.

By Mr. CROWE: Concurrent resolution (H. Con. Res. 53) providing for the appointment of a committee of Senators and Representatives to participate in the one hundredth anniversary of the birth of the late John Hay, and for other purposes; to the Committee on the Library.

By Mr. FULMER: Concurrent resolution (H. Con. Res. 54) to establish a Joint Committee on Forestry; to the Committee on Rules.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their resolution dated May 24, 1938, with reference to House bill 10340 and Senate bill 419, with reference to general welfare; to the Committee on Education.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Resolution No. 6, dated May 17, 1938, with reference to public welfare; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Resolution No. 7, dated May 19, 1938, with reference to Federal aid for social security; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Resolution No. 4, dated May 10, 1938, with reference to National Youth Administration; to the Committee on Education.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 10801) to carry out the findings of the Court of Claims in the case of *Lester P. Barlow v. The United States*; to the Committee on War Claims.

By Mr. FLETCHER: A bill (H. R. 10802) for the relief of Paul G. Wynn; to the Committee on Military Affairs.

By Mr. LUCKEY of Nebraska: A bill (H. R. 10803) granting an increase of pension to Angeline Raper; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 10804) authorizing the Secretary of War to bestow the Silver Star upon Charles H. Drayton, William J. Cordes, James D. DeLoache, Jr., Hulon G. Campbell, Eric B. Logan, Frank A. Gibson, George W. Drake, Henry T. Boman, Luther M. Kiger, Ellis F. Dikeman,



George R. Brock, William J. Smith, Charles C. Ingram, and Merrill S. Brown; to the Committee on Military Affairs.

By Mr. VOORHIS: A bill (H. R. 10805) for the relief of Edna Frances Muldoon; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5279. By Mr. BARRY: Resolution of the Jackson Heights Merchants' Association, Inc., protesting against any act by subversive forces, which tends to destroy American ideals of freedom of worship, freedom of speech, and freedom of action; to the Committee on the Judiciary.

5280. By the SPEAKER: Petition of the Board of Supervisors of the city and county of Honolulu, petitioning consideration of their Resolution No. 396 with No. 377 with reference to Works Progress Administration; to the Committee on the Territories.

5281. Also, petition of the New Orleans Association of Commerce, New Orleans, petitioning consideration of their resolution dated May 13, 1938, with reference to the feasibility of constructing a large auditorium in the city of Washington, D. C.; to the Committee on the District of Columbia.

5282. Also, petition of the Board of County Commissioners of St. Louis County, State of Minnesota, petitioning consideration of their resolution dated May 24, 1938, with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5283. Also, petition of the Board of Supervisors of the County of Riverside, State of California, petitioning consideration of their resolution dated May 23, 1938, with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5284. Also, petition of the County Board of Outagamie County, State of Wisconsin, petitioning consideration of their resolution dated May 6, 1938, with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5285. Also, petition of the Board of County Commissioners of Mason County, State of Washington, petitioning consideration of their resolution dated May 1937, with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5286. Also, petition of the Board of Supervisors of the County of Maui, Territory of Hawaii, petitioning consideration of their Resolution No. 116, dated May 16, 1938, with reference to House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

5287. Also, petition of the Steinway Community Council, Public School No. 141, Steinway, Long Island City, N. Y., petitioning consideration of their resolution dated May 31, 1938, with reference to immigration and unemployment; to the Committee on Immigration and Naturalization.

5288. Also, petition of the Central Labor Council, West Bridgewater, Pa., petitioning consideration of their resolution dated May 31, 1938, with reference to wages and hours; to the Committee on Labor.

## SENATE

THURSDAY, JUNE 2, 1938

(Legislative day of Wednesday, April 20, 1938)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 1, 1938, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson, Calif.	O'Mahoney
Andrews	Copeland	Johnson, Colo.	Overton
Ashurst	Davis	King	Pepper
Austin	Dieterich	La Follette	Pittman
Bailey	Donahay	Lee	Pope
Bankhead	Duffy	Lewis	Radcliffe
Barkley	Ellender	Lodge	Russell
Berry	Frazier	Logan	Schwartz
Bilbo	George	Loung	Schwellenbach
Bone	Gerry	Lundeen	Sheppard
Borah	Gibson	McAdoo	Shipstead
Brown, Mich.	Green	McCarran	Smathers
Brown, N. H.	Guffey	McGill	Smith
Bulkeley	Hale	McKellar	Thomas, Utah
Bulow	Harrison	McNary	Townsend
Burke	Hatch	Maloney	Truman
Byrd	Hayden	Miller	Tydings
Byrnes	Herring	Milton	Vandenberg
Capper	Hill	Minton	Van Nuys
Caraway	Hitchcock	Murray	Wagner
Chavez	Holt	Neely	Wheeler
Clark	Hughes	Norris	White

Mr. LEWIS. I announce that the Senator from Oregon [Mr. REAMES] is detained from the Senate because of illness.

The Senator from Iowa [Mr. GILLETTE], the Senator from Virginia [Mr. GLASS], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Oklahoma [Mr. THOMAS] are detained on important public business.

The Senator from Massachusetts [Mr. WALSH] is today delivering a commencement address at the Coast Guard Academy in New London, Conn.

I ask that this announcement stand of record for the day.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent on account of the death of his wife.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

#### INVESTIGATION OF SENATORIAL CAMPAIGN EXPENDITURES

The VICE PRESIDENT. The Chair appoints the Senator from Minnesota [Mr. SHIPSTEAD] a member of the Special Committee to Investigate Senatorial Campaign Expenditures for 1938, authorized by Senate Resolution 283 (agreed to May 27, 1938), in place of the Senator from Nebraska [Mr. NORRIS], resigned.

#### PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Board of Commissioners of Mason County, Wash., favoring the prompt enactment of House bill 4199, the so-called General Welfare Act, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the American Bandmasters' Association, New York, N. Y., favoring the prompt enactment of the bill (H. R. 4947) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, which was referred to the Committee on Military Affairs.

#### REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4119) to authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938, reported it without amendment and submitted a report (No. 1948) thereon.

He also, from the same committee, to which was referred the bill (S. 3916) for the relief of George Francis Burke, reported it with an amendment and submitted a report (No. 1961) thereon.

He also, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3707. A bill to authorize the acquisition of the bridge across the Mississippi River at Cape Girardeau, Mo., and the approaches thereto, by a single condemnation proceeding in either the District Court for the Eastern Judicial District of Missouri or the District Court for the Eastern Judicial Dis-